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July 28, 2014

AGENDA ITEM 05  
INFORMATION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

*Market Analysis and Feasibility Study Request for Proposals (First Reading)*

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***Presenter***

Grant Boyken

***Background***

The purpose of this agenda item is to present, as a first reading, a Request for Proposals (RFP) for the California Secure Choice Market Analysis and Feasibility Study.

At its January 27, 2014 meeting, the Board approved a plan to issue two separate RFPs to contract for services needed to complete the Secure Choice study. The Board directed staff to issue an RFP for legal services first, and then to issue the RFP for the market analysis and feasibility study after executing the contract for legal services.

Even though we have not yet executed a legal services contract, Secure Choice staff believe it is important to begin discussing the Market Analysis and Feasibility Study RFP and receiving input. This will be a complex procurement requiring expertise and experience from multiple disciplines. The results of the Market Analysis and Feasibility Study will serve as the basis for the Board's recommendations to the Legislature. Because of the crucial nature of this work and the importance of selecting capable vendor(s) with the necessary experience and abilities, we feel it is important to present the draft RFP to the Board as a first reading before asking the Board to take action to approve it.

***Scope of Services***

The scope of services requested in the RFP is broken out into three distinct areas that will need to be coordinated:

1. Market Analysis – Conduct a market analysis to determine likely participation rates, participants' comfort with various investment vehicles and degree of risk, contribution levels, and the rate of account closures and rollovers.

2. Program Design – The program design portion of the RFP requires recommendations about:
  - The type of entity that should administer the Program;
  - The design, implementation and administration of the Program;
  - How to determine eligibility, enroll participants and establish payroll deduction contributions; and
  - The overall design and features of the Program including the automatic, or “default,” contribution rate, investment options, automatic escalation, and the feasibility of procuring insurance against loss.
3. Financial Feasibility Study – Assess, based on the market analysis, whether the Program will be self-sustaining, recommend the amount of funds necessary to implement the Program and recommend a cost and fee structure that ensures the Program is self-sustaining, simple to administer, and low-cost to participants.

### ***Minimum Qualifications***

The RFP requires proposers meet minimum qualifications, including:

- At least five years of experience conducting market analyses and feasibility studies for employee benefit plans and designing employee benefit plans;
- Actuarial or other financial expertise; and
- Experience conducting market research on low income workers and small employers in California.

### ***Evaluation and Scoring***

The evaluation committee will consist of Board members Yvonne Walker and Heather Hooper, Secure Choice staff, and the State Treasurer’s Office under the interagency agreement with the Board. The highest scoring responsive proposer will be recommended to the Board for contract award.

Proposals will be scored based on the following criteria for a total possible maximum score of 100 points:

- Experience and Qualifications (TBD)
- Work Plan and Work Schedule (TBD)
- Cost (30 points maximum)

### ***Timeline***

Based on the Board’s direction to Secure Choice staff, we plan to have our outside legal counsel review the RFP before it is issued. Because the timeline for executing a legal services contract

depends on the action the Board takes with respect to agenda item number 3, it is not possible to provide the date when the Market Analysis and Feasibility Study RFP will be issued. We do anticipate, however, that it will take approximately three to four months from the date the Board approves issuing the RFP to recommend the winning proposal to the Board.

**Attachment**

Attachment 1 – DRAFT: Market Analysis, Feasibility Study, and Program Design Consultant Services RFP No. CSCRSIB03-14

**SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD**

**REQUEST FOR PROPOSAL-Secondary  
Notice to Prospective Proposers**

**Market Analysis, Feasibility Study, and Program Design Consultant Services  
RFP No. CSCRSIB03-14**

                    , 2014

You are invited to review and respond to this Request for Proposal (“RFP”), No. CSCRSIB03-14, for market analysis, feasibility study, and program design consultant services. In submitting your proposal, you must comply with these instructions.

Note that all agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet site [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language). If you do not have Internet access, a hard copy can be provided by contacting the person listed below.

In the opinion of the California Secure Choice Retirement Savings Investment Board (“Board”, “Secure Choice”, or the “State”), this RFP is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, the contact person for this RFP is:

Grant Boyken, Acting Executive Director  
Secure Choice Retirement Savings Investment Board  
915 Capitol Mall, Room 110  
Sacramento, CA 95814  
916-653-2995 phone  
916-653-3125 fax  
Grant.Boyken@treasurer.ca.gov

Please note that no *verbal* information given will be binding upon the State unless such information is issued in writing as an official addendum.

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\* These documents are not required with the Proposal package but are required upon award of the contract.

## A) Purpose and Description of Services

### 1) Background

Legislation enacted in 2012 (SB 1234, Chapter 734, 2012) authorizes consideration of the California Secure Choice Retirement Savings Program (“Program”). If implemented, the Program would provide a voluntary, low-risk, automatic-enrollment retirement savings plan for an estimated 6.3 million California workers who currently lack access to retirement savings plans through their employer. The Program would require private employers with five or more employees not currently offering a retirement savings plan to provide their employees access to, and payroll deductions for, Secure Choice retirement accounts. Implementation is contingent on enactment of subsequent legislation. The Program would be administered by the nine-member Board, chaired by the State Treasurer.

Before the Legislature can consider further legislation to implement the Program, SB 1234 requires the Board to conduct a market analysis and feasibility study to determine whether the legal and practical conditions for implementation can be met. The Board has approved an approach to the study that includes four distinct, but well-coordinated work streams:

- a) **Market Analysis** – A market analysis to determine likely levels of participation and elements of Program design that could maximize participation, maximize the likelihood of private sector financial providers offering products and services necessary to the Program, and minimize inconvenience or disruptions to employers.
- b) **Program Design** – Based on the findings of the market analysis, work will have to be done to determine how the Program would best be structured and administered. This will include determining the best methods for communicating with participants, handling payroll deductions, and accomplishing the recordkeeping and administration functions. The work in the Program design phase will also need to include the development of recommendations for plan features and options such as the level of the automatic (or “default”) contribution level, maximum contribution levels, investment options and roles and responsibilities of Program participants, employers, and the Board and any third parties with whom the Board contracts to administer the Program.
- c) **Financial Feasibility Study** – A financial analysis to determine whether likely demand and participation would make it possible for the proposed Program to be self-sustaining as the statute requires.
- d) **Legal Feasibility Study** – A legal analysis to determine whether the Program, as designed in the Program Design phase, meets legal requirements specified in the Secure Choice Retirement Savings Trust Act. Government Code section 100043 provides, “The board shall not implement the Program if the IRA arrangements offered fail to qualify for the favorable federal income tax treatment ordinarily accorded to IRAs under the Internal Revenue Code, or if it is determined that the Program is an employee benefit plan under the federal Employee Retirement Income Security Act.”

A request for proposals was issued on June 2, 2014 to contract with a law firm for the legal feasibility study. With this RFP, the Board seeks a consultant experienced in conducting market analyses and feasibility studies, and designing employee benefit plans. The consultant will conduct the market analysis and financial feasibility study, make Program design recommendations, and provide technical support for the legislative process if any further state or

federal legislation is required. The consultant selected with this RFP will need to coordinate its work with the law firm selected to conduct the legal feasibility study.

## 2) Scope of Services

### a) Market Analysis

- i. Conduct a market analysis to determine whether the necessary conditions for implementation of the Program can be met, including, but not limited to, likely participation rates, participants' comfort with various investment vehicles and degree of risk, contribution levels, and the rate of account closures and rollovers.

### b) Program Design

- i. Recommend the type of entity or organization that should be the Program administrator and the duties of the Program administrator.
- ii. Recommend the design, implementation, and administration of the Program that will maximize outreach to eligible employers and participation by eligible employees, which includes the following:
  - The Program accords with best practices for retirement savings vehicles, maximizes participation and savings among eligible employees, ensures benefits are portable, and maximizes ease of administration for participating employers. Best practices should include findings or research by experts, including behavioral economists and academics, on retirement savings behavior.
  - Assessment of how to arrange for pooled investment of assets.
  - Examination of investment options, including number and type, to be offered by the Program.
  - Assessment of how to submit progress reports and status reports to participating employers and eligible employees.
  - Assessment of how best to disseminate educational information concerning saving and planning for retirement, including recommendations on the design, and process for disseminating, an employee information packet.
  - Assessment of how best to disseminate information concerning the tax credits available to small business owners for establishing new retirement plans including the federal Retirement Savings Contribution Credit.
- iii. Assess how to determine the eligibility of an employer, employee, or other individual to participate in the Program.
- iv. Recommend how to establish payroll deduction contributions and assess how to minimize cost and administrative burden to employers.
- v. Evaluate and recommend a means of determining whether employers do not provide an employer-sponsored retirement plan to their employees.
- vi. Design and establish the process for the enrollment of Program participants.
- vii. Develop a process by which an individual or an employee of a nonparticipating employer may enroll in and make contributions to the Program.

- viii. Make recommendations on the default contribution rate.
  - ix. Recommend whether automatic escalation of contributions should be included in the plan and, if so, recommend the period and percentage automatic escalation that best achieves the goals of maximizing participation and savings among eligible employees.
  - x. Recommend the extent the Program should limit, and the best means of preventing, pre-retirement withdrawals from Secure Choice retirement accounts.
  - xi. Recommend a type of default or automatic investment option for participants who do not make an affirmative decision.
  - xii. Utilizing the results of the market analysis and research on best practices, work with Secure Choice to develop an investment policy statement that specifies the Program's overall investment philosophy and objectives, and how the plan will determine what investment options to offer.
  - xiii. Examine the feasibility of procuring insurance against any loss in connection with the property, assets, or activities of the trust, and secure private underwriting and reinsurance to manage risk and insure the retirement savings rate of return. Examine the feasibility of ensuring that an insurance, annuity or other funding mechanism is in place at all times that protects the value of individual's accounts, and that protects, indemnifies, and holds the state (State of California and the Board) harmless at all times against any and all liability in connection with funding retirement benefits.
- c) Financial Feasibility Study
- i. Assess, based on the market analysis, whether the Program will be self-sustaining.
  - ii. Recommend the amount of funds necessary to implement the Program.
  - iii. Recommend a cost and fee structure that ensures the Program is both self-sustaining, simple to administer, and low-cost to participants.
- d) Coordinate its work with the Board's other contractor(s) as appropriate or necessary.
- e) Recommend and assist with legislation as may be advisable or required.
- f) Attend Board meetings (approximately one per month) and other meetings as requested.

## **B) Minimum Qualifications for Proposers**

Proposers must meet the following minimum qualifications:

1. At least five (5) years of experience with conducting market analyses and feasibility studies for employee benefit plans, and designing employee benefit plans. Experience must include actuarial or other financial expertise, in projecting number and level of participation that would be sufficient for a program or plan to be self-sustaining; and experience conducting market analysis/research on low income workers and small employers in the State of California.



2. If applicable, must hold and maintain all licenses and registrations required by applicable federal and state laws for businesses offering investment and municipal advisory services. All such licenses and registrations must be current and in good standing.
3. Must identify the name, business address, email address, and phone and facsimile numbers of the person who will serve as the lead, point of contact, and have ultimate responsibility to the State for the proposal and work under the contract. Services may be performed by more than one firm, but the proposal must identify one firm by its legal business name that has ultimate responsibility to the State for the proposal and work under the contract, and the proposal must be submitted by that firm. The legal business names of all firms that will provide services under the contract must also be provided.

### C) Proposal Requirements and Information

#### 1) Key Action Dates

It is recognized that time is of the essence. All Proposers are hereby advised of the following schedule and will be expected to adhere to the required dates and times:

<u>Date</u>	<u>Action</u>
_____, 2014	RFP Available to Prospective Proposers
_____, 2014	Final Date to Submit Proposals
	Proposals must be received at the Secure Choice office at 915 Capitol Mall, Room 110, Sacramento, CA 95814 <b><u>by 4:00 P.M. (PT).</u></b>
_____, 2014	Notice of Intent to Award
_____, 2014	Proposed Award Date
_____, 2014	Proposed Contract Start Date (pending DGS approval)

#### 2) Proposer Experience, Personnel, and References

a) Experience:

- i. Provide an overview of proposer, including each firm that will provide services under the contract, with mission statement and vision statement, brief history, and description of the organizational structure and the advantages of this structure to successfully perform the "Scope of Services", Section A, Item 2.
- ii. Describe the firms' experience providing consultation on market analyses, including experience conducting market research for companies in the financial services industry and experience conducting research on personal finance or savings behavior.

- iii. Describe the firms' experience providing consultation on feasibility studies for employee benefit plans.
  - iv. Describe the firms' experience providing consultation on employee benefit plans, including individual retirement accounts and individual retirement annuities (individually and collectively "IRA").
  - v. Describe the proposer's understanding of the objectives of SB 1234. Identify what the proposer sees as the challenges to implement the Program and how the proposer would address them.
  - vi. Explain how and why the experiences of each firm demonstrate the ability to successfully complete the "Scope of Services", Section A, Item 2. Include any special expertise each firm would bring to advising Secure Choice.
- a) **Qualifications of personnel:** Identify the personnel that will be providing the services if awarded the contract, including years and type of experience for each person. Experience should include number of years at the current firm as well as all prior relevant employment. Please also include staff of subcontractors, if any. The contractor is expected to ensure that the quality and availability of personnel assigned to perform services under the contract will be maintained over the term of the contract. Replacements must have substantially the same or better qualifications and experience than the original personnel. Any change in assigned personnel must be pre-approved by the State.
- Identify the role each person will serve in the contract and his/her title.
- Provide detailed resumes for individuals that will be directly involved in providing the services under the contract including any proposed subcontractors and their employees, if any.
- b) **References (Attachment 4)** - Submit at least three (3) references for each firm that will provide services under the contract from clients for which the firm has provided services similar to "Scope of Services", Section A, Item 2 within the last five (5) years.

### 3) Legal Disclosures

Describe any litigation or actions pending against each firm, any of its partners or any individual employed by the firm that would be providing services under the contract. Please include information about any criminal indictments or convictions against the firm or the individuals. Also, include information about any material pending legal action, or settlement or judgment involving a claim of fraud, whether civil or criminal.

### 4) Conflicts of Interest

Please disclose any business relationships, which may be construed to be potential or actual conflicts of interest. The contractor will have a continuing requirement to disclose any business relationships that may be construed to be a potential or actual conflict.

### 5) Work Plan and Work Schedule Requirements

The proposer shall submit a work plan or schedule for task completion. Identify each major task, necessary subtask, and/or specific milestones by which progress can be measured and payments made.

## 6) Cost Detail Format and Requirements

The proposed work must be broken down into the work plan or schedule (Section C, Item 5). Use the Cost Proposal Worksheet (Attachment 3) to prepare your cost proposal. Review this section and the Cost Proposal Worksheet, including your calculations, carefully. Mathematical errors may be corrected by the State.

The following formula shall be used for the award of cost points:

Lowest cost proposal, based on the "Total Cost" on the Cost Proposal Worksheet (Attachment 3) is awarded the maximum cost points (30 points). Other proposals are awarded cost points based on the following calculation:

$$\begin{aligned} &(\text{lowest cost proposal} / \text{other cost proposal}) = (\text{factor}) \\ &(\text{factor}) \times \text{maximum cost points} = \text{cost points for other proposal} \end{aligned}$$

EXAMPLE: A maximum of 30 cost points is available.

$$\begin{aligned} \text{lowest cost proposal} &= \$75,000 \\ \text{other cost proposal} &= \$100,000 \end{aligned}$$

$$\begin{aligned} \$75,000 / \$100,000 &= \frac{3}{4} \\ \frac{3}{4} \times 30 \text{ maximum cost points} &= 22.5 \text{ cost points for other proposal} \end{aligned}$$

## 7) Submission of Proposal

- a) Proposals should provide straightforward and concise descriptions of the proposer's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements may be cause for rejection of a proposal.
- b) The proposal package should be prepared in the least expensive method.
- c) All proposals must be submitted under **sealed** cover and sent to Secure Choice by the date and time shown in Section C, Proposal Requirements and Information, Item 1) Key Action Dates. Proposals received after this date and time will not be considered.
- d) A minimum of six (6) copies of the proposal must be submitted.
- e) The original proposal must be marked "ORIGINAL COPY". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposer. All additional proposal sets may contain photocopies of the original package.
- f) The proposal envelopes must be plainly marked with the RFP number and title, firm's name and address, and must be marked with "DO NOT OPEN", as shown in the following example:

Secure Choice Retirement Savings Investment Board  
Market Analysis, Feasibility Study, and Program Design Consultant Services  
RFP No. CSCRSIB03-14

DO NOT OPEN

If the proposal is made under a fictitious name or business title, the actual legal name of proposer must be provided.

Proposals not submitted under sealed cover and marked as indicated may be rejected.

- g) All proposals shall include the documents identified in Section E, Required Attachment Checklist. Proposals not including the proper "required attachments" shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.
- h) Mail or deliver proposals to the following address:

Secure Choice Retirement Savings Investment Board  
915 Capitol Mall, Room 110  
Sacramento, CA 95814
- i) Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- j) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The State may reject any or all proposals and may waive an immaterial deviation in a proposal. The State's waiver of an immaterial deviation shall in no way modify the RFP document or excuse the proposer from full compliance with all requirements if awarded the agreement.
- k) Costs incurred for developing proposals and in anticipation of award of the agreement are entirely the responsibility of the proposer and shall not be charged to the State of California.
- l) An individual who is authorized to bind the proposer contractually shall sign Attachment 2, Proposal/Proposer Certification Sheet. The signature must indicate the title or position of that the individual. An unsigned proposal may be rejected.
- m) A proposer may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Key Action Dates. Proposal modifications offered in any other manner, oral or written, will not be considered.
- n) A proposer may withdraw its proposal by submitting a written withdrawal request to the State, signed by the proposer or an authorized agent in accordance with h) above. A proposer may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.
- o) The State may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package.
- p) The State reserves the right to reject all proposals. The State is not required to award an agreement.

- q) Before submitting a response to this solicitation, proposers should review, correct all errors and confirm compliance with the RFP requirements.
- r) More than one proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered.
- s) The State does not accept alternate contract language from a prospective contractor. A proposal with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC) are not negotiable.
- t) No oral understanding or agreement shall be binding on either party.
- u) **Public Contract Code Section 10365.5: Please be aware that no person, firm, or subsidiary thereof who has been awarded a consulting services contract may submit a bid for, nor be awarded a contract for, the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed appropriate in the end product of the consulting services contract. However, this prohibition does not apply to any person, firm, or subsidiary thereof who is awarded a subcontract of a consulting services contract which amounts to no more than 10 percent of the total monetary value of the consulting services contract.**

## 8) Evaluation Process

- a) At the time of proposal opening, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP.
- b) Proposals that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the proposer, may be rejected.
- c) Contract award, if any, will be made to the highest scoring responsive and responsible proposer. **Contract award and execution by the State is subject to availability of Funds.**
- d) Proposal Evaluation

The proposals, which include all required Attachments, that are submitted as required by the deadline specified in this RFP and meet the minimum qualifications will be evaluated and scored according to the criteria indicated below. A responsive proposal is one, which meets or exceeds the requirements stated in this RFP.

Rating/Scoring Criteria

Maximum Possible Points

Experience and Qualifications:

Overview of all firms that will provide services under the contract is relevant to and demonstrates superior ability to successfully perform the “Scope of Services”, Section A, Item 2. [POINTS]

Proposal demonstrates substantial qualifications and experience conducting market analyses, including conducting market research for companies in the financial services industry and conducting research on personal finance or savings behavior. [POINTS]

Proposal demonstrates substantial qualifications and experience conducting feasibility studies for employee benefit plans. [POINTS]

Proposal demonstrates substantial qualifications and experience designing employee benefit plans, including IRAs. [POINTS]

Proposal demonstrates superior understanding of the objectives of SB 1234; and if proposer identifies challenges to implement the Program, the proposer clearly and rationally explains how the proposer would address them. [POINTS]

Personnel identified in the proposal are well-qualified. [POINTS]

Proposal demonstrates the ability to successfully complete the “Scope of Services”, Section A, Item 2. [POINTS]

Work Plan and Work Schedule:

The work plan or schedule for task completion is realistic and comprehensive, and each major task, necessary subtask, and/or specific milestones can effectively measure progress and payments.

Cost:

The cost proposal will be scored based on “Cost Detail Format and Requirements”, Section C, Item 6.

[POINTS]

[POINTS]

30

Total Possible Points: 100

**9) Award and Protest**

- a) Notice of the proposed award shall be posted in a public place in the office of the Secure Choice Retirement Savings Investment Board, 915 Capitol Mall, Sacramento, California 95814 and on the Internet at [www.treasurer.ca.gov/scib](http://www.treasurer.ca.gov/scib), for five (5) working days prior to awarding the agreement.
- b) If any proposer, prior to the award of agreement, files a protest with Secure Choice and the Department of General Services, Office of Legal Services, 707 Third Street, 7<sup>th</sup> Floor, Suite 7-330, West Sacramento, California 95605, on the grounds that the protesting proposer would have been awarded the contract had the agency correctly applied the evaluation standard in the RFP, or if the agency followed the evaluation and scoring methods in the RFP, the agreement shall not be awarded until either the protest has been

withdrawn or the Department of General Services has decided the matter. It is suggested that you submit any protest by certified or registered mail.

- c) Within five (5) days after filing the initial protest, the protesting proposer shall file with the Department of General Services, Office of Legal Services and Secure Choice a detailed statement specifying the grounds for the protest.
- d) Upon resolution of the protest and award of the agreement, Contractor must complete and submit to Secure Choice the Payee Data Record (STD 204), to determine if the Contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at [www.osp.dgs.ca.gov](http://www.osp.dgs.ca.gov) under the heading FORMS MANAGEMENT CENTER. No payment shall be made unless a completed STD 204 has been returned to Secure Choice.
- e) Upon resolution of the protest and award of the agreement, Contractor must sign and submit to Secure Choice, *page one (1)* of the Contractor Certification Clauses (CCC), which can be found on the Internet at [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language).

## 10) Disposition of Proposals

- a) Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.
- b) Proposal packages may be returned only at the proposer's expense, unless such expense is waived by Secure Choice.

## 11) Agreement Execution and Performance

- a) Performance shall start not later than three (3) days, or on the express date set by Secure Choice and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, Secure Choice, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's Proposal price and the actual cost of performing work by another contractor.
- b) All performance under the agreement shall be completed on or before the termination date of the agreement.
- c) The term of the agreement, if an award is made, is expected to start on September 1, 2014 or upon Department of General Services (DGS) approval, whichever is later, and end on September 30, 2015. However, the State at its sole discretion may extend the agreement term for additional year(s). The State's option to renew the agreement may be exercised through one or more amendment(s) until the project is complete or the Program is implemented. The agreement may be further amended to adjust the scope of work due to legislative changes or federal requirements. Although the total amount of the agreement may be amended to compensate the contractor for the change in scope of

work or agreement renewal, the rates will remain the same throughout the term of the agreement.

#### **D) Preference Programs**

- 1) Small Business Preference – [www.dgs.ca.gov/pd/Programs.aspx](http://www.dgs.ca.gov/pd/Programs.aspx) (SB/DVBE - OSDS tab)
- 2) Target Area Contract Preference Act (TACPA) - [www.dgs.ca.gov/pd/Programs.aspx](http://www.dgs.ca.gov/pd/Programs.aspx) (Dispute Resolution tab)
- 3) Disabled Veteran Business Enterprise (DVBE) participation requirements are waived for this RFP and agreement.

#### **E) Required Attachments**

**Refer to the following pages for additional Required Attachments.**

DRAFT



ATTACHMENT 1

REQUIRED ATTACHMENT CHECKLIST

A complete proposal or proposal package will consist of the items identified below, except as noted (Contractor Certification Clauses (CCC) 307 and Payee Data Record (STD 204)).

Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should be returned with your proposal package also.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Checklist
_____ Attachment 2	Proposal/Proposer Certification Sheet
_____ Attachment 3	Cost Proposal Worksheet
_____ Attachment 4	Proposer References
_____ Attachment 5	Certification of Compliance with the Darfur Contracting Act
Attachment 6	Contractor Certification Clauses (CCC) 307*  CCC 307 can be found on the Internet at <a href="http://www.ols.dgs.ca.gov/Standard+Language">www.ols.dgs.ca.gov/Standard+Language</a> .
Attachment 7	Payee Data Record (STD 204)*

\* These documents are not required with the Proposal package but are required upon award of the contract.

ATTACHMENT 2

PROPOSAL/PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package in duplicate with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

**Do not return the "Sample Agreement" at the end of this RFP.**

- A. Place all required attachments behind this certification sheet.
- B. The signature affixed hereon and dated certifies compliance with all the requirements of the RFP. The signature below authorizes the verification of this certification.

**An Unsigned Proposal/Proposer Certification Sheet May Be Cause For Rejection.**

1. Company Name	2. Telephone Number (   )	2a. Fax Number (   )
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. <b>Signature</b>	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business and Disabled Veteran Business Enterprise (OSDS) as:		
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____	
<b>NOTE:</b> A copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSDS, if an application is pending:		

**Completion Instructions for Proposal/Proposer Certification Sheet**

Complete the numbered items on the  
Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
<b>1, 2, 2a, 3</b>	Must be completed. These items are self-explanatory.
<b>4</b>	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
<b>5</b>	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
<b>6</b>	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
<b>7</b>	Enter your federal employee tax identification number.
<b>8</b>	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
<b>9</b>	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
<b>10, 11, 12, 13</b>	Must be completed. These items are self-explanatory.
<b>14</b>	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSD.

ATTACHMENT 3

COST PROPOSAL WORKSHEET

**DIRECT LABOR**

Provide the description (name and title/position), hourly rate, and number of hours for each person that will provide services under the contract.

	<u>Rate</u>		<u>Hours</u>			
Lead Consultant [Name, Title/Position]	\$ _____	x	_____	hours	=	\$ _____
[Name, Title/Position]	\$ _____	x	_____	hours	=	\$ _____
[Name, Title/Position]	\$ _____	x	_____	hours	=	\$ _____

(A) TOTAL DIRECT LABOR COSTS \$ \_\_\_\_\_

**INDIRECT COSTS (OVERHEAD AND FRINGE BENEFITS)**

Overhead Rate	% _____	\$ _____
Fringe Benefits	% _____	\$ _____

(B) TOTAL INDIRECT COSTS \$ \_\_\_\_\_

**DIRECT COSTS (EXCEPT LABOR)**

Travel Costs*	\$ _____
Equipment and Supplies (Itemized)	\$ _____
Other Direct Costs (Itemized)	\$ _____

(C) TOTAL DIRECT COSTS (EXCEPT LABOR) \$ \_\_\_\_\_

**TOTAL COST (proposal cost points will be based on this total amount) \$ \_\_\_\_\_**

**Add the totals in lines (A), (B), and (C) to achieve the Total Cost: (A)+(B)+(C) = Total Cost**

\*Travel costs will be paid based on the rates of the California Department of Human Resources (CalHR) for comparable classes and no travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.

ATTACHMENT 4

PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive. Submit at least three (3) references for each firm that will provide services under the contract from clients for which the firm has provided services similar to "Scope of Services", Section A, Item 2 within the last five (5) years. Please make copies of this Attachment as necessary for each firm that will provide services under the contract.

<b>REFERENCE 1</b>				
Name				
Street Address	City	State	Zip Code	
Contact Person			Telephone Number	
Dates of Service			Value or Cost of Service	
Brief Description of Service Provided				

<b>REFERENCE 2</b>				
Name				
Street Address	City	State	Zip Code	
Contact Person			Telephone Number	
Dates of Service			Value or Cost of Service	
Brief Description of Service Provided				

<b>REFERENCE 3</b>				
Name				
Street Address	City	State	Zip Code	
Contact Person			Telephone Number	
Dates of Service			Value or Cost of Service	
Brief Description of Service Provided				