

**Iowa Treasurer of State**

**Request for Proposal**

**for**

**Pension Consulting Services**

**RFP 2014-1**

**June 2014**

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## **SECTION 1 - INTRODUCTION**

### **1.1 Purpose**

This Request for Proposal (“RFP”) is issued by the State Treasurer of Iowa (“Treasurer”), on behalf of the Iowa Public Safety Peace Officers’ Retirement, Accident, and Disability System (“PORS”), and Judicial Retirement System (“JRS”), (collectively, the “Systems” or “Funds”) for the purpose of soliciting proposals from Investment Consulting Firms (“Firms”) to provide consulting services for the Systems. Statutory requirements will cause the Treasurer to execute separate contracts for each System with the selected Firm, though the contents of the contracts will be nearly identical aside from language specific to the System in question. The Firm to whom the contracts are awarded will provide guidance and advice regarding the investment of the Funds in conformity with and subject to the terms of the contracts contemplated hereby between each System and the Firm and subject to applicable law. The Treasurer intends to award four-year contracts with the option to renew the contracts for two additional one-year periods commencing upon execution.

Proposals are being solicited from all interested and appropriate investment consulting firms.

### **1.2 Definitions**

For the purposes of this RFP, the following words shall have the following meanings:

- A. “PORS” shall mean the Iowa Public Safety Peace Officers’ Retirement, Accident and Disability System
- B. “JRS” shall mean the Judicial Retirement System
- C. “State” shall mean the State of Iowa
- D. “Treasurer” shall mean Treasurer of the State of Iowa

### **1.3 Minimum Requirements**

To be considered by the Systems for the purpose stated above, the Firm must meet all of the following minimum requirements:

1. The investment consulting firm must be a registered investment advisor under the Investment Company Act of 1940
2. The investment consulting firm must have a minimum of seven (7) years of investment consulting experience;
3. The investment consulting firm must have a minimum of ten (10) investment consulting clients, including a minimum of three (3) public fund clients; and
4. The investment consulting firm must agree to totally indemnify the Systems against any negligence on the part of the Firm.

## **1.4 Scope of Services**

### **Continuing Services**

The Firm will be required to provide the following services to the Systems in addition to those duties and responsibilities set forth in the attached sample contract:

1. Provide an annual written review of the Systems' asset allocation. Provide forecasts of return, risk and correlations for asset classes.
2. Provide an annual written review of the Systems' investment policies and investment manager guidelines and provide recommendations for revisions as needed.
3. Provide an annual written review of the investment performance of the Systems and each of its investment managers and provide recommendations for any manager structure changes that may be needed.
4. Provide a quarterly written synopsis on any of the Systems' investment managers that fail to meet their quarterly benchmark.
5. Meet annually with the Treasurer (in Des Moines) to discuss the written reviews described above.
6. Be available (usually by telephone or e-mail) to answer any questions the Treasurer, staff, or PORS board may have regarding investments.

### **As-Needed Services**

1. Perform an asset allocation study and assist the Treasurer in determining the optimal asset allocation study.
2. Provide assistance to the Treasurer in the search and selection of investment managers and investment products for the Systems, if requested by the Treasurer.
3. Special projects not included in Continuing Services described above.
4. Be available (in person) to the PORS board at public meetings to answer any questions or present any relevant information at the Treasurer's or the PORS' request.

## SECTION 2 - ADMINISTRATIVE INFORMATION

### 2.1 Inquiries

All inquiries concerning this RFP shall be submitted by June 30<sup>th</sup>, in accordance with Section 2.4, in writing and only to the RFP Coordinator:

Jina Bresson, RFP Coordinator  
Iowa Treasurer of State  
State Capitol Building  
Room 114  
Des Moines, Iowa 50319  
Phone: 515-281-8478 Fax: 515-281-7562  
E-mail: [jina.bresson@iowa.gov](mailto:jina.bresson@iowa.gov)

The Treasurer assumes no responsibility for verbal representations concerning conditions made by its officers or employees at any time, unless such representations are specifically incorporated into this RFP or written addenda to the RFP. Verbal discussions pertaining to modifications or clarifications of this RFP shall not be considered part of the RFP unless confirmed in writing by the RFP Coordinator. Any information provided by the Firm verbally shall not be considered part of the Firm's proposal. Only written communications from the Firm and received by the RFP Coordinator will be accepted.

From the issue date of the RFP until announcement of the successful Firm(s), Firms may contact only the RFP Coordinator with regard to the RFP. The RFP Coordinator will respond only to questions regarding the procurement process and interpretation of the RFP. Questions related to the procurement process and interpretation of the RFP must be submitted in writing to the RFP Coordinator by 4:30 p.m. local Iowa time on **June 30, 2014**. Verbal questions related to the interpretation of this RFP will not be accepted. **Firms may be disqualified if they contact any state employee other than the RFP Coordinator.**

### 2.2 Iowa Statutes and Rules

The term and conditions of this RFP, any resulting contract, and any activities based upon this RFP shall be governed by and construed in accordance with the laws of Iowa.

### 2.3 Procurement Timetable

The following dates are set forth for informational and planning purposes; however, the Treasurer reserves the right to change the dates.

Issue RFP	<b>June 23, 2014</b>
Questions Due	<b>June 30, 2014</b>
Response to Questions Issued	<b>July 7, 2014</b>

Closing Date for Receipt of Proposals and Amendments to Proposals	<b>July 21, 2014</b>
Proposals Reviewed	<b>July/August 2014</b>
Finalist Interviews	<b>August 2014</b>

**2.4 Questions, Requests for Clarification, and Suggested Changes**

Firms are invited to submit written questions and requests for clarifications regarding the RFP. Firms may also submit suggestions for changes to the requirements of this RFP. The questions, requests for clarifications, or suggestions must be in writing, by mail, fax, or email, and received by the RFP Coordinator before 4:30 p.m., local Iowa time, **June 30, 2014**. Oral questions will not be permitted. If the questions, requests for clarifications, or suggestions pertain to a specific section of the RFP, the page and section number(s) must be referenced. Written responses to questions, requests for clarifications, or suggestions will be released on or before **July 7, 2014**, to Firms. The Treasurer's written responses will be considered part of the RFP, and may be adopted as an amendment to the RFP.

**2.5 Amendment to the RFP and Proposal and Withdrawal of Proposal**

The Treasurer reserves the right to amend the RFP at any time. The Firm shall acknowledge receipt of an amendment in its proposal. If the amendment occurs after the closing date for receipt of proposals, the Treasurer may, in its sole discretion, allow Firms to amend their proposals in response to the Treasurer's amendment.

The Firm may amend its proposal. The amendment must be in writing, signed by the Firm and received by the time set for the receipt of proposals.

Firms who submit proposals in advance of the deadline may withdraw, modify, and resubmit proposals at any time prior to the deadline for submitting proposals. Firms must notify the RFP Coordinator in writing if they wish to withdraw their proposals. Modifications to and resubmissions of any proposal must be in writing, signed by the firm, and submitted by the firm so that it is received by the RFP Coordinator no later than the deadline set for the receipt for proposals. Electronic mail or fax modification will not be accepted.

## **2.6 Submission of Proposals**

Each firm must submit its proposal so that the RFP Coordinator receives the proposal before **3:00 p.m.** local Iowa time, **July 21, 2014**. **This is a mandatory requirement and will not be waived. Any proposal received by the RFP Coordinator after this deadline will be rejected and returned unopened to the firm.** Firms mailing proposals must allow ample mail delivery time to ensure timely receipt of their proposals. It is the firm's responsibility to ensure that the proposal is received by the RFP Coordinator prior to the deadline. Postmarking by the due date will not substitute for actual receipt of the proposal. Electronic mail and faxed proposals will not be accepted. Firms must furnish all information necessary to evaluate the proposal. Proposals that fail to meet the mandatory requirements of the RFP will be disqualified.

## **2.7 Proposal Opening**

The Treasurer will open proposals at **3:00 p.m.**, local Iowa time, **July 21, 2014**. The proposals will remain confidential until the evaluation committee has reviewed all of the proposals submitted in response to this RFP and the Treasurer has announced a notice of intent to award a contract.

## **2.8 Costs of Preparing the Proposal**

The costs of preparation and delivery of the proposal are solely the responsibility of the firm.

## **2.9 Rejection of Proposals**

The Treasurer reserves the right to reject any or all proposals or any portion thereof without penalty at any time prior to the execution of a written contract. Issuance of this RFP in no way constitutes a commitment by the Treasurer to award a contract or to execute a binding contract with any firm that may be selected as a result of this RFP. The Treasurer further reserves the right to cancel this RFP, to issue a new RFP, to award a contract in whole or in part, or to perform any or all of the services described in this RFP if it is in the best interests of the State. This RFP is designed to provide Firms with the information necessary to prepare a competitive proposal. This RFP process is for the Treasurer's benefit and is intended to provide the Treasurer with competitive information to assist in the selection of one or more Firms to provide services. It is not intended to be comprehensive and each Firm is responsible for determining all factors necessary for submission of a comprehensive proposal.

## **2.10 Disqualification**

The Treasurer may reject outright and not evaluate proposals for any one of the following reasons:

- 2.10.1** The Firm fails to deliver the proposal by the due date and time.
- 2.10.2** The Firm's response materially changes a requirement, term, condition, or specification of this RFP or any attachment thereto.
- 2.10.3** The Firm's response limits the rights of the Treasurer or the State.
- 2.10.4** The Firm fails to include information necessary to substantiate that it will be able to meet a requirement of this RFP.
- 2.10.5** The Firm fails to respond to the Treasurer's request for information, documents, or references.
- 2.10.6** The Firm fails to include any signature, certification, authorization, stipulation, disclosure or guarantee requested in section 4 of this RFP.
- 2.10.7** The Firm presents the information requested by this RFP in a format inconsistent with the instructions of the RFP.
- 2.10.8** The Firm contacts any state employee other than the RFP Coordinator in violation of Section 2.1.
- 2.10.9** The Firm provides misleading or inaccurate responses.

## **2.11 Nonmaterial and Material Variances**

The Treasurer reserves the right to waive or permit cure of nonmaterial variances in the proposal if, in the judgment of the Treasurer, it is in the State's best interest to do so. Nonmaterial variances include minor informalities that do not affect responsiveness; that are merely a matter of form or format; that do not change the relative standing or otherwise prejudice other Firms; that do not change the meaning or scope of the RFP; or that do not reflect a material change in the services. In the event the Treasurer waives or permits cure of nonmaterial variances, such waiver or cure will not modify the RFP requirements or excuse the Firm from full compliance with RFP specifications or other contract requirements if the Firm is awarded the contract. The determination of materiality is in the sole discretion of the Treasurer.

## **2.12 Reference Checks**

The Treasurer reserves the right to contact any reference to assist in the evaluation of the proposal, to verify information contained in the proposal and to discuss the Firm's qualifications and the qualifications of any subcontractor identified in the proposal.

### **2.13 Information from Other Sources**

The Treasurer reserves the right to obtain and consider information from other sources concerning a Firm, such as the Firm's capability, financial strength and performance under other contracts.

### **2.14 Verification of Proposal Contents**

The content of a proposal submitted by a Firm is subject to verification. Misleading or inaccurate responses may result in disqualification.

### **2.15 Criminal History and Background Investigation**

The Treasurer reserves the right to conduct criminal history and other background investigation of the Firm, its officers, directors, subcontractors, shareholders, or partners and managerial and supervisory personnel retained by the Firm for the performance of the contract.

### **2.16 Proposal Clarification Process**

The Treasurer reserves the right to contact a Firm after the submission of proposals for the purpose of clarifying a proposal to ensure mutual understanding. The Treasurer will not consider information received if the information materially alters the content of the proposal or alters the type of goods and services the Firm is offering to the State. An individual authorized to legally bind the Firm shall sign responses to any request for clarification. Responses shall be submitted within the time specified in the Treasurer's request. Failure to comply with requests for additional information may result in rejection of the proposal as non-compliant.

### **2.17 Disposition of Proposals**

All proposals become the property of the Treasurer and shall not be returned to the Firm unless all proposals are rejected or the RFP is cancelled. In either event, Firms will be asked to send prepaid shipping instruments to the Treasurer for return of the proposals submitted. In the event the Treasurer does not receive shipping instruments, the Treasurer will destroy the proposals. Otherwise, at the conclusion of the selection process, the contents of all proposals will be in the public domain and be open to inspection by interested parties subject to exceptions provided in Iowa Code Chapter 22 or other applicable law.

### **2.18 Public Records and Requests for Confidential Treatment**

The Treasurer shall treat all information submitted by a Firm as public information following the conclusion of the selection process unless the Firm properly requests that information be treated as confidential at the time of submitting the proposal. The Treasurer's release of information is governed by Iowa Code Chapter 22. Firms are encouraged to familiarize themselves with Chapter 22

before submitting a proposal. The Treasurer will copy, disclose and permit examination of public records as required to comply with the public records laws.

Any request for confidential treatment of information must be included in the transmittal letter with the Firm's proposal. In addition, the Firm must enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law, which support treatment of the material as confidential and explain why disclosure is not in the best interest of the public. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the Firm to respond to any inquiries by the Treasurer concerning the confidential status of the materials.

Any proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. Identification of the entire proposal as confidential may be deemed non-responsive and disqualify the Firm.

If the Firm designates any portion of the RFP as confidential, the Firm must submit one copy of the proposal from which the confidential information has been excised. This excised copy is in addition to the number of copies requested in Section 4 of this RFP. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the proposal as possible.

The Treasurer will treat the information marked confidential as confidential information to the extent such information is determined confidential under Iowa Code Chapter 22 or other applicable law by a court of competent jurisdiction.

In the event the Treasurer receives a request for information marked confidential, written notice shall be given to the Firm seven calendar days prior to the release of the information to allow the Firm to seek injunctive relief pursuant to Section 22.8 of the Iowa Code.

The Firm's failure to request confidential treatment of material will be deemed by the Treasurer as a waiver of any right to confidentiality, which the Firm may have had.

## **2.19 Copyrights**

By submitting a proposal, the Firm agrees that the Treasurer may copy the proposal for purposes of facilitating the evaluation of the proposal or to respond to requests for public records. The Firm consents to such copying and use by submitting a proposal and warrants that such copying and use will not violate the rights of any third party. The Treasurer shall have the right to use ideas or adaptations of ideas that are presented in the proposals.

## **2.20 Release of Claims**

By submitting a proposal, the Firm agrees that it will not bring any claim or cause of action against the State based on any misunderstanding concerning the

information provided herein or concerning the Treasurer's failure, negligent or otherwise, to provide the Firm with pertinent information as intended by this RFP.

#### **2.21 Evaluation of Proposals Submitted**

Proposals that are timely submitted and are not subject to disqualification will be reviewed in accordance with Section 3 of the RFP. The Treasurer will not necessarily award any contract resulting from this RFP to the Firm offering the lowest cost to the State. Instead, the Treasurer will award the contract to the compliant Firm whose proposal provides the State with the best value.

#### **2.22 Award Notice and Acceptance Period**

Notice of intent to award the contract will be sent by mail to all Firms submitting a timely proposal. Negotiation and execution of the contract shall be completed no later than **August 31, 2014**, unless the Treasurer gives written notice to extend the deadline. If the apparent successful Firm fails to negotiate and deliver an executed contract by **August 31, 2014**, the Treasurer may cancel the award and/or award the contract to another compliant Firm.

#### **2.23 Definition of Contract**

The full execution of a separate written contract shall constitute the making of a contract for services, and no Firm shall acquire any legal or equitable rights relative to the goods or services to be provided in connection with this RFP until a separate written contract, with terms and conditions acceptable to the Treasurer, has been fully executed by the Treasurer and the successful Firm. By submitting a proposal, each Firm acknowledges that any award of a contract or selection of a successful Firm by the Treasurer under this RFP, including, without limitation, any verbal or written notice thereof provided by or on behalf of the Treasurer, shall not create any contractual rights or other obligations between the State and the successful Firm until a separate, written contract with terms and conditions acceptable to the Treasurer has been executed by the Treasurer and the successful Firm.

#### **2.24 Choice of Law and Forum**

The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this RFP and any resulting contract without regard to the choice of law provisions of Iowa law. Changes in applicable laws and rules may affect the award process or any resulting contract. Firms are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP or any resulting contract shall be brought in Des Moines, Iowa, in Polk County District Court for the State of Iowa, if jurisdiction is proper. However, if jurisdiction is not proper in the Iowa District Court for Polk County, but is proper only in a United States District Court, the matter shall be commenced in the United States District Court for the Southern District of Iowa, Central Division. This provision shall not be construed as waiving any immunity to suit or liability, in state or federal court, which may be available to the State.

## **2.25 Restrictions on Gifts and Activities**

Iowa Code Chapter 68B restricts gifts which may be given or received by state officers and employees and requires certain individuals to disclose information concerning their activities with state government. Firms are responsible to determine the applicability of this Chapter to their activities and to comply with the requirements. In addition, pursuant to Iowa Code section 722.1, it is a felony offense to bribe or attempt to bribe a public official.

## **2.26 No Minimum Guaranteed**

The Treasurer anticipates that the selected Firm, if any, will provide consulting services as requested by the Treasurer. The Treasurer will not guarantee any minimum usage of the Firm's services for "As-Needed Services". In addition, the Treasurer makes no guarantee that it will select a Firm as a result of this RFP, or award or execute a contract.

## **2.27 Agreement Not Exclusive**

Any agreement resulting from this RFP shall not be an exclusive agreement between the parties, and the State/Treasurer is entitled to enter into similar agreements or arrangements with any other party.

## **2.28 Attachments and Appendices are Part of RFP**

Any attachment, appendix, schedule, table or exhibit that is referred to herein or attached hereto shall be deemed incorporated herein by reference and shall constitute a part of this RFP.

## **SECTION 3 - FORMAT AND CONTENT OF PROPOSALS AND EVALUATION OF PROPOSALS**

### **3.1 Instructions**

**3.1.1** The proposal shall include all of the documents and information and meet all of the requirements described in Section 3.2. Failure to adhere to these requirements will cause rejection of the Firm's proposal. Firms are cautioned that the forms provided as attachments herein are to be used directly.

**3.1.2** The proposal shall be typewritten using a 12-point font on 8.5" x 11" paper (one side only) and be sequentially numbered, beginning with the cover page and include appendices, addendums, and other attachments. Margins shall be no less than 1" on all sides. Tables, figures, or maps may use fonts smaller than 12-point.

**3.1.3** The proposal shall be sealed in an envelope. The original proposal shall be clearly labeled "Official Proposal" and all copies shall bear a "Copy" label, e.g., "Copy 1," "Copy 2." The envelopes shall be labeled with the following information:

**Iowa Treasurer of State  
Attention: Jina Bresson, RFP Coordinator  
State Capitol Building, Room 114  
Des Moines, IA 50319-0105**

**3.1.4** One (1) original and two (2) copies of the proposal, each in a sealed envelope, shall be timely submitted to the RFP Coordinator. In addition, an electronic copy shall be emailed to [jina.bresson@iowa.gov](mailto:jina.bresson@iowa.gov).

**3.1.5** If the Firm designates any information in its proposal as confidential pursuant to Section 2.18 of this RFP, the Firm must also submit one (1) copy of the proposal from which confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the proposal as possible.

**3.1.6** Proposals shall not contain promotional or display materials.

**3.1.7** Attachments shall be referenced in the proposal.

**3.1.8** If a Firm proposes more than one method of meeting these requirements, each shall be labeled and submitted separately. Each will be evaluated separately.

## **3.2 Proposal**

The following documents and responses shall be included in the proposal in the order given below:

### **3.2.1 Cover Page**

The Firm will complete and submit with the proposal the Cover Page included as Attachment A.

### **3.2.2 Transmittal Letter**

The letter shall include the following:

1. Name, title, mailing address, electronic mail address, fax number, and telephone number of the contact person who may be contacted by the Treasurer regarding the contents of the Firm's proposal;
2. Confirmation that the Firm meets the minimum requirements listed in Section 1.3;
3. Acknowledgement that the Firm is able and willing to deliver services as described in Section 1.4 "Scope of Services" or an explanation of how its service would differ from these expectations;
4. Any request for confidential treatment of information, in addition to the specific statutory basis supporting the request and an explanation of why disclosure of the information is not in the best interest of the public. (See section 2.18 of this RFP for more information about confidentiality.)
5. The Firm shall guarantee in writing the availability of the services offered and that all proposal terms, including price, will remain firm for a minimum of 200 days following the deadline for submitting proposals.
6. The transmittal letter shall include acceptance of terms and conditions. The Firm shall specifically state that Firm agrees with and accepts all terms and conditions stated in the RFP, including the terms and conditions contained in Appendix A, without change except as otherwise expressly stated in its proposal. If the Firm objects to any term or condition, the Firm must specifically refer to the RFP or attachment page and section. Objections or responses that materially alter the RFP may, in the Treasurer's sole determination, be deemed non-responsive and the Treasurer may disqualify the Firm. See Section 4.1 for additional information and requirements regarding contract terms and conditions.

### **3.2.3 Answers to Questions**

The Firm shall address each question in Section 5 - Questionnaire of the RFP.

### **3.2.4 Proposal Certification – Attachment B**

### **3.2.5 Certification of Independence and No Conflict of Interest – Attachment C**

### **3.2.6 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Attachment D**

### **3.2.7 Authorization to Release Information – Attachment E**

### 3.3 Evaluation

#### 3.3.1 Introduction

This section describes the evaluation process that will be used to determine which proposal provides the greatest benefits to the State of Iowa. The evaluation process is designed to award a contract to one or more Firms with the best combination of attributes to perform the required services and not necessarily to the Firm of least cost.

The Treasurer will use an evaluation committee to review and evaluate the proposals. The committee will consider all information provided in the proposal when making its recommendation to the Treasurer and may consider relevant information from other sources.

#### 3.3.2 Evaluation Process

The evaluation process shall consist of the following steps:

**3.3.2.1 Step 1. Proposal Format Review.**

Members of the Treasurer's staff will review proposals to assess and verify compliance with the requirements of this RFP. The Treasurer reserves the right to waive minor variances at the sole discretion of the Treasurer.

**3.3.2.2 Step 2. Evaluation**

The evaluation committee will evaluate and score all compliant proposals that have advanced through Step 1.

**3.3.2.3 Step 3. Finalist Interviews**

Members of the evaluation committee may interview finalist Firms in Des Moines, Iowa, if necessary, during the month of August 2014. The Treasurer may choose to hold additional interviews at the Firms' offices.

**3.3.2.4 Step 4. Recommendation.**

The evaluation committee will make a recommendation to the Treasurer.

**3.3.2.5 Step 5. Decision.**

A recommendation will then be made to the Board of Trustees of PORS, who must approve the final selection for PORS. The Treasurer has full discretion to hire a Firm for JRS. The Treasurer is not bound by the recommendation and may select a Firm that was not recommended by the evaluation committee, or he may reject all Firms.

## SECTION 4 - CONTRACT TERMS AND CONDITIONS

### 4.1 Contract Terms and Conditions

The contracts that the Treasurer expects to award as a result of this RFP will be based upon the proposal submitted by the successful Firm and this solicitation. The contracts between the Treasurer and the Firm shall be a combination of the specifications, terms and conditions of the RFP, the contract terms contained in Appendix A, the PORS/JRS Investment Policies, the offer of the Firm contained in the Firm's proposal, written clarifications or changes made in accordance with the provisions herein, and any other terms deemed necessary by the Treasurer. The Treasurer reserves the right to either award a contract without further negotiation with the successful Firm or to negotiate contract terms with the selected Firm if the best interest of the State would be served.

The contract terms and conditions contained in Appendix A are not intended to be a complete listing of all contract terms and conditions but are provided only to enable Firms to better evaluate the costs associative with the RFP and the potential resulting contract(s). All costs associated with complying with these requirements should be included in any pricing quoted by the Firm.

**By submitting a proposal, each Firm acknowledges its acceptance of the terms, conditions, and requirements contained in this RFP, including those contained in Appendix A as applicable, without change except as otherwise expressly stated in its proposal. If a Firm takes exception to any term, condition, requirement or other provision of this RFP (including Appendix A), it must state the reason for the exception and set forth in its proposal the specific contract language it proposes to substitute in place of the excepted provision. If a Firm takes exception to any term or condition contained in Appendix A, the Firm must produce a redlined draft of such appendix, and such redlined draft must clearly reflect all of Firm's exceptions thereto and all alternative language or other changes that Firm specifically proposes to make to such appendix. Exceptions and/or proposed changes that materially change the terms, conditions, specifications, or requirements of the RFP (including Appendix A) may be deemed non-responsive by the Treasurer, as determined in its sole discretion, resulting in possible disqualification of the Firm's proposal. A Firm's failure to state an exception to any term, condition, specification, requirement or other provision of this RFP (including Appendix A) and propose alternative language in accordance with this Section 4.1 may be deemed by the Treasurer to constitute Firm's acceptance thereof. Any term, condition, provision, or requirement, to which a Firm fails to take exception and propose changes in accordance with this Section 4.1 will not be subject to negotiation. A Firm may not take exception to all of the provisions or terms contained in Appendix A. A Firm may not state that it takes exception to any terms, conditions, requirements, or other provisions of the RFP (including those contained in Appendix A) to the extent any of the foregoing conflict with any terms or conditions contained in the Firm's standard form contracts. A Firm may not submit its standard form**

**contract(s) for consideration in lieu of Appendix A. By submitting a proposal to this RFP, Firms acknowledge and agree that the Treasurer and any successful Firm will be negotiating from and utilizing Appendix A, and will not be negotiating from or utilizing a Firm's standard form contracts. The Treasurer reserves the right to refuse to enter into a contract with the successful Firm for any reason, even after delivery of notice of selection or intent to negotiate a contract. The Treasurer further reserves the right to negotiate contract terms with the successful Firm(s).**

#### **4.2 Duration**

The Treasurer currently anticipates that the duration of the contract will be for an initial period of four (4) years from the effective date of execution. The Treasurer will have the sole option to extend the successful Firm's obligations under such arrangement at no additional cost for up to two additional one-year periods following expiration of the initial four-year period by providing the Firm with written notice. The resulting contract may be terminated at the Treasurer's discretion, with or without cause, after thirty (30) days written notice to the Firm.

## **SECTION 5 - QUESTIONNAIRE**

**Please answer the following questions:**

### **Background Information**

1. The Firm shall provide the following general background information:
  - Name, address, telephone number, fax number and e-mail address of the Firm including all d/b/a's or assumed names or other operating names of the Firm.
  - Form of business entity, i.e., corporation, partnership, proprietorship, limited liability company.
  - State of incorporation, state of formation, or state of organization.
  - Local office address and phone number (if any).
  - Type of business.
  - Name, address and telephone number of the Firm's representative to contact regarding all contractual and technical matters concerning this proposal
  - The successful Firm will be required to register to do business in Iowa. If already registered, provide the date of the Firm's registration to do business in Iowa and the name of the Firm's registered agent.
  
2. Describe ownership of the Firm. Describe any material changes that have occurred in the past five years. In your response, please discuss the following:
  - Year Firm was formed and began consulting services.
  - The ownership structure. Indicate all entities that have an ownership stake in the Firm (name and percentage).
  - Number of years in business.
  - Number of years' experience with providing the types of services sought by the RFP
  - Affiliated companies or joint ventures.
  - Recent or planned changes to the ownership or organization structure.

### **Organization**

3. Provide one organization chart that diagrams the ownership and interrelationships between the parent-subsiary, affiliate, and joint venture entities, if any. If your firm offers asset management services or brokerage services, describe any overlap in personnel between those components and the investment consulting group.
  
4. Provide the locations of each of the Firm's investment offices. For each office, provide the function, the number of professionals, and the product focus.
  
5. Is the Firm affiliated with a custodial bank, broker/dealer, investment bank, insurance company, or other lines of business that are not related to consulting services but could present conflicts? If yes, briefly describe your Firm's policies and procedures for conducting business with these affiliates.

6. Provide the percentage of total firm revenues that come from the categories listed below for each calendar year:

	2011	2012	2013
Consulting with plan sponsors	%	%	%
Money management activities	%	%	%
Services to money managers	%	%	%
Other (please describe)	%	%	%
	100%	100%	100%

7. Please describe the types of services the firm provides to investment management firms and the fee arrangements that typically apply. Does your firm directly or indirectly charge money managers to be included in the firm's manager research database? Does the firm receive revenues from money management firms for their attendance at conferences or meetings sponsored by the firm?
8. Describe the Firm's objectives with respect to future growth. What are the Firm's expectations for its consulting services, and how does it plan to manage the future growth of this product? Discuss how the Firm plans to make sure that future growth does not compromise the integrity of your existing process and products. Discuss any new business lines, distribution channels or products you intend to add in the future.
9. Does your firm receive any soft dollar revenues from investment managers through an affiliate broker? If yes, what percentage of soft dollar revenues in each of the last three calendar years was due to client direction?
10. Do you have a plan/arrangements in place for an alternative work site should your facilities become inoperative because of fire, earthquake, terrorist attacks, etc.? Briefly describe your emergency and disaster recovery plans.

## Personnel

11. Provide the number of professionals (principals, consultants, and analysts) employed by your Firm as of 12/31/12 and 12/31/13.
12. The Firm must provide resumes for all key personnel who will be involved in providing the services contemplated by this RFP. Please indicate the individual who will have primary responsibility for the account. The following information must be included in the resumes:
- Full name.
  - Education.
  - Functions the individual would perform.
  - Employment history
  - Years of experience and employment history particularly as it relates to the scope of services specified herein.
  - Areas of expertise that may benefit the Systems; and
  - The number of accounts for which the individual is currently responsible.

13. Describe the firm's compensation and incentive program for its consultants and other professionals.

**Process and Organization**

14. Explain the Firm's consulting process and organization structure. How are responsibilities divided among consultants to meet the needs of clients? How many clients are assigned to a consultant?
15. Complete the following table by providing the total number of clients, the number of clients under \$500 million, and the total dollar amount of assets under advisement for the firm's full-service retainer investment consulting clients for the past five years:

	2009	2010	2011	2012	2013
Total number of clients					
Number of clients with assets under \$500 million					
Total Assets under advisement (\$)					

16. Describe the firm's experience in providing investment consulting services for public pension plans.
17. Describe the Firm's philosophy as it pertains to investment consulting. What role would you play for PORS/JRS? How would PORS/JRS evaluate your Firm's performance?
18. Describe the Firm's process for assisting clients in determining the proper asset allocation.
19. How does your Firm evaluate active investment managers? How do you evaluate and forecast manager skill?
20. Describe the firm's research capabilities. How does the firm conduct research on investment management firms and their products?
21. Describe the process you would use in conducting a manager search for a client. What information does the Firm rely upon in evaluating investment managers? Describe any internal or external databases utilized by the Firm to assist in manager searches.

## References

22. Provide the name, address and telephone number of at least three public pension funds that utilize your Firm as their investment consultant. Also provide a list of current clients.

## Terminations, Litigation, Debarment

23. During the last five (5) years, has the Firm had a contract for products or services terminated for any reason or has the Firm received any notices of breach or default? If so, provide full details related to the termination or notice of breach/default.
24. During the last five (5) years, describe any damages or penalties or anything of value traded or given up by Firm under any of its existing or past contracts as it relates to products and services performed that are similar to the products and services contemplated by this RFP. If so, indicate the reason for the penalty or exchange of property or services and the estimated amount of the cost of that incident to the Firm and resulting contract, if any.
25. During the last five (5) years, describe any order, judgment or decree of any Federal or State authority barring, suspending or otherwise limiting the right of the Firm to engage in any business, practice or activity.
26. During the last five (5) years, list and summarize pending or threatened litigation, administrative or regulatory proceedings, or similar matters that could affect the ability of the Firm to perform the required services. The Firm must also state whether it or any owners, officers, or primary partners have ever been convicted of a felony. Failure to disclose these matters may result in rejection of the bid proposal or in termination of any subsequent contract. This is a continuing disclosure requirement. Any such matter commencing after submission of a proposal, and with respect to the successful Firm after the execution of a contract, must be disclosed in a timely manner in a written statement to the State.

## Fees and Expenses

27. Provide the annual dollar amount that your Firm would charge for providing all of the "Continuing Services" listed in Section 1.4 of this RFP. Fees will be paid quarterly in arrears in hard dollars.
28. Provide the dollar amount your Firm would charge for providing each "As-Needed Service" listed in Section 1.4 of this RFP. Fees will be paid upon completion of each service.
29. Do the fees you have quoted in response to questions 27 and 28 include all out-of-pocket expenses, or will the firm expect the PORS or JRS Fund to pay those expenses in addition to the fees quoted? If the Firm expects payment for out-of-pocket expenses, list all expenses for which you would expect to be reimbursed.

**Attachment A**

**Pension Consulting Services RFP**

**Cover Page**

Firm: \_\_\_\_\_

Federal ID Number: \_\_\_\_\_

Firm's Complete Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Name and Title: \_\_\_\_\_

Email: \_\_\_\_\_

Telephone: \_\_\_\_\_

Signed by: \_\_\_\_\_ Date: \_\_\_\_\_

**Attachment B**

Date

Jina Bresson, RFP Coordinator  
Iowa Treasurer of State  
State Capitol Building  
Room 114  
Des Moines, Iowa 50319  
Phone: 515-281-8478  
Fax: 515-281-7562

Re: Request for Proposal  
Pension Consulting Services RFP  
PROPOSAL CERTIFICATION

Dear **Ms. Bresson**:

I certify that the contents of the proposal submitted on behalf of **(Name of Firm)** in response to the RFP for **Pension Consulting Services** are true and accurate. I also certify that **(Name of Firm)** has not made any knowingly false statements in its proposal.

Sincerely,

---

Name and Title

## Attachment C

Date

Jina Bresson, RFP Coordinator  
Iowa Treasurer of State  
State Capitol Building  
Room 114  
Des Moines, Iowa 50319  
Phone: 515-281-8478  
Fax: 515-281-7562

Re: Request for Proposal  
Pension Consulting Services  
CERTIFICATION OF INDEPENDENCE AND NO CONFLICT OF INTEREST

Dear Ms. Bresson:

By submitting a proposal in response to the RFP for the **Pension Consulting Services**, the undersigned certifies the following:

1. The proposal has been developed independently, without consultation, communication or agreement with any employee or consultant to the State who has worked on the development of this RFP, or with any person serving as a member of the evaluation committee.
2. The proposal has been developed independently, without consultation, communication or agreement with any other Firm or parties for the purpose of restricting competition.
3. Unless otherwise required by law, the information found in the proposal has not been knowingly disclosed and will not be knowingly disclosed prior to the award of the contract, directly or indirectly, to any other Firm.
4. No attempt has been made or will be made by (Name of Firm) to induce any other Firm to submit or not to submit a proposal for the purpose of restricting competition.
5. No relationship exists or will exist during the contract period between (Name of Firm) and the State that interferes with fair competition or as a conflict of interest.

Sincerely,

---

Name and Title

**Attachment D**

Date

Jina Bresson, RFP Coordinator  
Iowa Treasurer of State  
State Capitol Building  
Room 114  
Des Moines, Iowa 50319  
Phone: 515-281-8478  
Fax: 515-281-7562

Re: Request for Proposal  
Pension Consulting Services RFP  
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND  
ELIGIBILITY, AND VOLUNTARY EXCLUSION

Dear **Ms. Bresson**

By submitting a proposal in response to the RFP for the **Pension Consulting Services**, the undersigned certifies the following:

1. I certify that, to the best of my knowledge, (Name of Firm) and all of its principals: (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal Agency or agency; (b) have not within a three year period preceding this proposal been convicted of, or had a civil judgment rendered against them for commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of antitrust statutes or commission of embezzlement, theft, forgery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are not presently indicted for or criminally or civilly charged by a government entity (federal, state, or local) with the commission of any of the offenses enumerated in (b) of this certification; and (d) have not within a three year period preceding this proposal had one or more public transactions (federal, state, or local) terminated for cause.

2. This certification is a material representation of fact upon which the Treasurer has relied upon when this transaction was entered into. If it is later determined that the undersigned knowingly rendered an erroneous certification, in addition to other remedies available, the Treasurer may pursue available remedies including suspension, debarment, or termination of the contract.

Sincerely,

---

Name and Title

**Attachment E**

Date

Jina Bresson, RFP Coordinator  
Iowa Treasurer of State  
State Capitol Building  
Room 114  
Des Moines, Iowa 50319  
Phone: 515-281-8478  
Fax: 515-281-7562

Re: Request for Proposal  
Pension Consulting Services RFP  
AUTHORIZATION TO RELEASE INFORMATION

Dear **Ms. Bresson**

**[Name of Firm]** hereby authorizes the **Treasurer** to obtain information regarding its performance on other contracts, agreements or other business arrangements, its business reputation, and any other matter pertinent to evaluation and the selection of a successful Firm in response to the **Request for Proposal for the Pension Consulting Services**.

The Firm acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The Firm acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the State or may otherwise hurt its reputation or operations. The Firm is willing to take that risk.

The Firm hereby releases, acquits and forever discharges the State of Iowa, the Treasurer of the State of Iowa, and, their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references obtained by the State in the evaluation and selection of a successful Firm in response to the **Request for Proposal for the Pension Consulting Services**.

The Firm authorizes representatives of the Treasurer to contact any and all of the persons, entities, and references which are, directly or indirectly, listed, submitted, or referenced in the undersigned's proposal submitted in response to the **Request for Proposal for the Pension Consulting Services**.

The Firm further authorizes any and all persons, entities to provide information, data, and opinions with regard to the undersigned's performance under any contract, agreement, or other business arrangement, the undersigned's ability to perform, the undersigned's business reputation, and any other matter pertinent to the evaluation of the undersigned.

The undersigned hereby releases, acquits and forever discharges any such person or entity and their officers, directors, employees and agents from any and all liability

whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references supplied to the Treasurer in the evaluation and selection of a successful Firm in response to the **Request for Proposal for the Pension Consulting Services**.

A photocopy or facsimile of this signed Authorization is as valid as an original.

Sincerely,

\_\_\_\_\_  
Printed Name of Firm Organization

\_\_\_\_\_  
Name and Title of Authorized Representative Date