

**REQUEST FOR QUALIFICATIONS  
AND QUOTATION (RFQQ) FOR  
INVESTMENT OPERATIONS  
CONSULTANT POOL  
RFQQ # 20-07**



**Washington State  
Investment Board**

March 13, 2020

---

## **IDENTIFICATION OF OFFEROR'S PROPRIETARY INFORMATION**

Offerors are advised that the Washington State Investment Board is a Washington State Public Agency and is thus subject to public records requests. There are permissible exemptions from public disclosure pursuant to chapter 42.56 Revised Code of Washington (RCW) but they are limited, narrow in scope and strictly construed. Offerors wishing to claim portions of their response as confidential and exempt from public disclosure are advised to carefully read sections 5.5.1 and 5.6 of this RFQQ for more detail.

**CONTENTS**

Identification of Offeror’s Proprietary Information ..... 2

Contents ..... 3

SECTION 1: INTRODUCTION ..... 5

    1.1 Background ..... 5

    1.2 Purpose..... 5

    1.3 Two Tier Solicitation Process..... 5

    1.4 Consulting services/Pre-Qualified Pool ..... 5

    1.5 Updating/Refreshing the Pools ..... 6

    1.6 Overview of the Organization ..... 6

SECTION 2: STATEMENT OF WORK ..... 7

    2.1 Scope of Services ..... 7

    2.2 Services to be Provided and Assignment of Work ..... 9

    2.3 Contract Management ..... 9

SECTION 3: OFFEROR QUALIFICATIONS ..... 9

    3.1 Mandatory Minimum Qualifications ..... 9

SECTION 4: GENERAL INFORMATION ..... 10

    4.1 Definitions ..... 10

    4.2 Compensation and Payment ..... 11

    4.3 Expected Time Period for Contract ..... 11

    4.4 Eligibility to Compete ..... 11

SECTION 5: INSTRUCTIONS FOR COMPLETING AND SUBMITTING BIDS ..... 11

    5.1 Board Contact..... 11

    5.2 Intent to Respond and Questions..... 12

    5.3 Schedule of Procurement Activities ..... 13

    5.4 Procurement Modification ..... 13

    5.5 Procurement Instructions..... 13

        5.5.1 Submitting Responses ..... 13

        5.5.2 Information and Format Requirements ..... 14

SECTION 1: General Information ..... 14

SECTION 2: Questionnaire ..... 15

SECTION 3: Fee Schedule Proposal..... 15

SECTION 4: Minimum Qualifications Compliance Certificate (Exhibit B attached hereto). ..... 14

SECTION 5: Offeror Warranties ..... 15

SECTION 6: Supplemental Information ..... 15

SECTION 7: Proof of Insurance ..... 15

    5.6 Proprietary Information ..... 15

5.7	Records Retention .....	17
5.8	Preparation and Travel Costs .....	17
5.9	Response Evaluation.....	17
5.9.1	Evaluation Process.....	17
5.9.2	Evaluation Criteria .....	18
5.9.3	Finalist Evaluation Criteria .....	18
5.10	Addenda to the RFQQ.....	18
5.11	Submission Limit.....	19
SECTION 6: WSIB RIGHTS.....		19
6.1	Information Clarifications/Rejections .....	19
6.2	Contract Award.....	19
6.3	Publicity .....	19
6.4	Waivers.....	19
SECTION 7: MISCELLANEOUS TERMS AND CONDITIONS .....		20
7.1	Successful Offeror Notification.....	20
7.2	Right to Protest, Determination of Timeliness, and Protest Procedures .....	20
7.2.1	Contents of Protest.....	20
7.2.2	Types of Protest.....	20
7.3	Debriefing of Unsuccessful Offerors.....	21
7.4	Stay of Contract Execution During Protests .....	21
7.5	Entitlement to Costs .....	21
7.6	Minority & Women-Owned Business Participation .....	22
7.7	General Contract Terms and Conditions .....	22

## **SECTION 1: INTRODUCTION**

### **1.1 Background**

The Washington State Investment Board (hereinafter WSIB or Board), a major institutional investor with over \$140 billion under management and a reputation for innovation, seeks to contract with firms to create a pre-qualified pool of consultants that provides investment operations, accounting, systems, technology, and data (hereinafter referred to as “Investment Operations”) consulting services on a project basis as needed.

The WSIB is a public agency of the state of Washington, established to administer the state’s investment activity. The WSIB investment programs include both qualified (IRC § 401(a)) retirement programs and non-qualified programs. The WSIB manages the investment of defined-benefit retirement funds, a hybrid retirement plan consisting of defined-contribution and defined-benefit components, a deferred compensation plan (IRC § 457), a large pool of insurance fund assets, and a number of permanent and other trust funds. To learn more about the WSIB, please visit our website at [www.sib.wa.gov](http://www.sib.wa.gov).

### **1.2 Purpose**

Pursuant to Chapter 39.29 of the Revised Code of Washington, the WSIB issues this RFQQ to create a pre-qualified pool (Pool) of firms (Contractor(s)) to provide Investment Operations consulting on an as needed project basis. These services will provide the WSIB with timely access to investment operations technical and consultant expertise on diverse investment issues for any funds, whether currently held or added in the future, for which the WSIB holds investment management responsibility. The role of the Contractors will be to cooperatively assist WSIB staff, operating under the direction of the Executive Management of the WSIB, in consulting and technical guidance on a wide array of investment operations topics, and, in doing so, provide the WSIB with independent, clear, unbiased, and unconflicted advice.

### **1.3 Two Tier Solicitation Process**

The WSIB is using a two-tier solicitation process. The first tier starts with the release of this RFQQ and concludes with the award of Optional-Use Contracts (Contracts). The purpose of the RFQQ is to determine Offeror qualifications and to obtain a fixed fee schedule. The Optional-Use Contracts awarded to Contractors will define the terms and conditions of the contractual relationship. The term of the Contracts will be for up to five (5) years with the option to extend the Contract at the discretion of the WSIB for an additional five (5) years. The number of Offerors awarded a Contract will be determined after review and scoring of responses to this RFQQ. Please note: Optional-Use Contracts will include a schedule of hourly rates at which future services will be invoiced during the first five years of the contract. These fees may only be renegotiated at the time of extension. These contracts do not include a retainer fee, a guarantee of work, or a guarantee of compensation. Compensation is available through award via a Project Work Order (PWO).

The second-tier process arises as the WSIB determines a need (project) for a specific service. The WSIB will issue a Work Request for a project to one or more Contractors within the Pool. The purpose of the Work Request is to obtain a proposal from the Contractor and a final quotation of the cost associated with the specified project. The second tier will conclude with the award of a PWO to a single Contractor.

### **1.4 Consulting services/Pre-Qualified Pool**

The Investment Operations consulting services may include, but is not limited to, providing services in the form of consulting recommendations, input on industry best practices, and technical expertise related to the following areas: Investment middle and back office operations, foreign exchange transactions, public and private market valuations, custodian bank operations, staffing, and investment technology and data services (including Project Management, Cyber Security and Quality Assurance services).

## 1.5 Updating/Refreshing the Pools

Due to market conditions or WSIB needs, the WSIB may choose to add Contractors, service categories, or additional pools within the term of the Optional-Use Contracts by issuing additional procurement processes as needed. Subsequent procurements may be modified to meet WSIB needs and may include revised qualification requirements, evaluation criteria, terms and conditions.

## 1.6 Overview of the Organization

The WSIB is a state agency with offices located in Olympia, Washington. The WSIB performs “...all duties with respect to the investment of public trust and retirement funds.” (See RCW 43.33A.010) Led by an independent 15-member Board, as described in RCW 43.33A.020, the Board conducts its investment activities in accordance with applicable state laws and investment policies and procedures designed to maximize returns at a prudent level of risk and acts exclusively in the sole interests of the funds’ stakeholders and beneficiaries.

The agency is composed of three primary divisions: Investments, Operations, and Institutional Relations, and is headed by an Executive Director appointed by the Board. The Board and agency are governed by general statutes and rules established for all state agencies, officials, and employees in the performance of their public duties.

The WSIB manages investments for 17 separate pension plans for public employees, teachers, school employees, law enforcement officers, firefighters and judges. To more efficiently manage investments, reduce administrative costs, and minimize fees, defined benefit retirement fund assets are pooled into the Commingled Trust Fund (CTF). As of December 31, 2019, the value of the CTF was \$114 billion. The CTF is invested in six basic asset classes: public equity, fixed income, private equity, real estate, tangible assets and cash. Each fund managed by the Board is assigned a strategic asset allocation, which includes the asset classes used by that fund, long-term policy targets for those asset classes, and the acceptable ranges within which those targets can vary. The following is a summary of the AUM in the CTF by asset class as of December 31, 2019.

*As of December 31, 2019*

<b>Investment Type</b>	<b>AUM In Millions</b>	<b>Percent of Total</b>
Cash and Liquid Assets	1,536	1%
Fixed Income Securites	23,090	20%
Public Equity Securities	37,881	33%
Private Markets		
Private Equity	24,912	22%
Real Estate	21,006	18%
Tangibles and Other	6,074	5%
<b>Total Net Asset Value CTF</b>	<b>114,499</b>	<b>100%</b>

In addition, the WSIB manages various other investments on behalf of the state of Washington as detailed below. Additional information may be obtained on the WSIB website at [www.sib.wa.gov](http://www.sib.wa.gov).

*As of December 31, 2019*

Investment Type	Total AUM In Millions	LNI Funds	Permanent Funds	Other Funds
Cash and Liquid Assets	159	148	Trace	11
Fixed Income Securities	17,915	16,615	369	931
Public Equity Securities	4,498	3,023	814	661
Private Markets	12	12	-	-
Total Net Asset Value	22,584	19,798	1,183	1,603

## SECTION 2: STATEMENT OF WORK

### 2.1 Scope of Services

#### INVESTMENT OPERATIONS, ACCOUNTING, SYSTEMS, TECHNOLOGY, AND DATA CONSULTANT POOL

The following are examples of services that may be requested during the term of the contract. The list is intended as a guide for the types of services contemplated. Additional services may be requested in line with standard investment operations, accounting, systems, staffing, technology and data consulting engagements. Respondents are not required to provide all the services requested. However, to be considered for inclusion in the pool, respondents should have specific expertise and service offerings in at least one of the services identified below. All consultants should also have demonstrated expertise in investment operations related consulting services.

**Investment Middle Office Operations Consulting:** Provide consulting recommendations, services and technical expertise in support of trade settlement systems and processes which could include the following:

- Review and recommend improvements for trade settlement processes and systems for best practice, suitability, efficiency, and proper controls
- Develop requirements and / or participate in competitive solicitations for outsourced or other trade settlement services

**Investment Back Office Operations Consulting:** Provide consulting recommendations, services and technical expertise in support of back office operations and investment accounting systems and processes which could include the following:

- Review and recommend operational and investment accounting processes for best practice, efficiencies, and internal controls
- Provide consulting recommendations, services, and technical expertise for shadow or other investment accounting processes and systems
- Develop requirements and participate in competitive solicitations for portfolio verification, shadow accounting, IBOR, and investment accounting systems

**Public and Private Market Valuation and Other Related Consulting:** Provide consulting recommendations, services and technical expertise in support of public and private market valuation practices and other processes which could include the following:

- Review WSIB private market valuation practices for compliance with Generally Accepted Accounting Principles (GAAP) and best practices with recommendations for improvement
- Review of WSIB public market pricing policies and procedures with recommendations for improvements in line with industry best practices and applicable legal requirements
- Valuation committee (all asset classes) consulting to include charter and policy development including proper oversight and monitoring procedures for transactable NAV's
- Review and opine on private market general partner valuation practices for compliance with GAAP and industry best practices
- When required, provide a determination of fair value (net asset value) of selected private market fund investments (Includes private equity, real estate, and tangible asset funds and other structures)

**Foreign Exchange Consulting:** Provide consulting recommendations, services and technical expertise in foreign exchange (FX) transactions executed by the WSIB operations which could include the following:

- Transaction cost and best execution analysis and reporting for FX transactions
- Review and recommend FX policies and procedures in support of best practices for the operating models used by the WSIB

**Custody Bank Consulting:** Provide consulting recommendations, services and technical expertise in custodian bank selection and operational practices which could include the following:

- Development of Request for Qualifications and Quotation requirements and participate in competitive solicitations for custodial bank services
- Review and recommend improvements to custodian bank processes and procedures in line with industry best practices and compliance with regulations

#### **Investment Technology and Data Services**

- Provide consulting recommendations, services and technical expertise in support of technology and data management solutions
- Provide data strategy services to identify best practices, target operating model, and strategic recommendations for investment data management
- Review cyber-security, technology governance, and vendor management models to identify best practices, efficiencies, and controls
- Provide Quality Assurance services to review development of investment data solutions and provide independent assessment of quality, gaps, and risks
- Provide IT Project Management services to support tracking and implementation of agency investment technology initiatives

## Staffing

- Provide staffing and support for various investment operations projects to include investment accounting, portfolio administration, private and public markets valuations, foreign exchange, investment technology and data services.

## 2.2 Services to be Provided and Assignment of Work

Work will be assigned to a Contractor in a manner consistent with the terms of the Optional-Use Contracts. The scope of each discrete assignment or project will depend upon the particular issue on which the WSIB requests transition management services, and according to the needs of the various WSIB investment programs.

As projects arise, the WSIB will issue a Work Request to contractors within the Pool, seeking services for a specific project. The Work Request will clearly delineate the scope of the project, the project timeline, and required appearances, if any, before a WSIB Committee and/or the Board. A Work Request may require a Contractor to meet with WSIB staff during a particular project on a periodic basis at a location and time specified by the WSIB to review portfolios, investment process, organizational issues, performance, special projects, or other relevant topics. A Work Order to engage services will be awarded based on the Contractor's proposal, expertise and experience, availability, and proposed project cost.

In addition to providing services, Contractors must invite WSIB staff and Board members to participate in the Contractor's client conferences and any and all other client conferences or similar educational activities provided by the Contractor and normally offered to similar clients without cost. Invitations are contingent upon a fee payment by the WSIB to Contractor pursuant to any Work Order performed within the Contract period. The fee paid to the Contractor must exceed the cost of such conferences or education activities, including but not limited to all registration fees, materials, lodging, conference meals and refreshments

## 2.3 Contract Management

The WSIB's Chief Financial Officer or Designee will be designated as the WSIB's Contract Manager as indicated in the Work Order. The Contract Manager will be responsible for:

- Clarifying with the Contractor the expectations of the WSIB and how the WSIB envisions the relationship working on a day-to-day basis during specific projects.
- Providing overall direction and planning.
- Monitoring Contractor progress against contractual commitments and approving payment.
- Designating specific WSIB staff as Project Manager for day-to-day liaison with Contractor on specific transition projects.
- Requesting regular status reports with Contractor as needed.

## SECTION 3: OFFEROR QUALIFICATIONS

### 3.1 Mandatory Minimum Qualifications

Proposals in response to this RFQQ must meet the minimum requirements set forth below. Proposers who do not meet the following minimum requirements, or who do not comply with the material specifications, terms and conditions of this RFQQ shall be considered non-responsive and shall be rejected. Proposers must provide proof to demonstrate that their firms meet these minimum requirements as of January 31, 2020.

- The Offeror must possess the system, expertise, and capacity sufficient to provide the services detailed in the Statement of Work section.

- The key professionals and organization must not have, nor could they potentially have, a material conflict with the WSIB, its custodian, or its investment managers.
- The Offeror must be financially sound and be able to provide its annual financial statement(s) upon request.
- The Offeror must accept the general form of the written contract as supplied by the WSIB. The Offeror must have the approval of their legal representative to the Sample Contract formats set forth as Exhibit F prior to submittal of a response, or must provide a redlined version of the sample contract highlighting and explaining any issues or needed amendments to the standard language.
- The Offeror must be able to and agree to maintain as secure and confidential all information concerning the business of the WSIB, its financial affairs, relations with its clients and its employees, and any other information which may be specifically classified as confidential by the WSIB in writing.
- The Offeror must have the ability to ensure that any personal information collected, used, or acquired in connection with the system will be used solely for purposes of the Contract. Offeror's systems must have sufficient security to prevent the release, disclosure, publishing, transfer, or sale to unauthorized persons of personal information without the express written consent of the WSIB or as required by law. Offeror must have the demonstrated ability to implement physical, electronic, and managerial safeguards to prevent unauthorized access to personal information.
- The Offeror must have at least three (3) years of experience providing similar services as requested in the Statement of Work.

## SECTION 4: GENERAL INFORMATION

### 4.1 Definitions

- "Apparently Successful Offerors" or "Successful Offerors" shall mean the Offerors selected by the Washington State Investment Board (WSIB) as entities qualified to perform the anticipated services.
- "Business Day" shall mean any day of the week other than Saturday, Sunday, or a holiday observed by the State of Washington or the Federal Reserve Board.
- "Contract" shall mean the Optional-Use Contract awarded to an Offeror.
- "Contractor" shall mean an operations consulting firm awarded an Optional-Use Contract through this RFQQ.
- "Executive Director" shall mean the agency employee authorized by RCW 43.33A.100, who serves as the senior executive of all WSIB staff operations.
- "Offeror" shall mean an entity intending to submit or submitting a response to obtain an Optional-Use Contract.
- "Pool" shall mean a list of qualified operations consulting firms that have been awarded an Optional-Use Contract for transition management services.
- "Response" shall mean all information submitted in reply to this RFQQ, including any additional information requested by or provided to the WSIB.
- "RFQQ" shall mean this Request for Quotes and Qualifications, any addendum or erratum thereto, or Offeror's written questions and the respective answers, and any related correspondence that is: (1) addressed to all Offerors, and (2) signed by the Executive Director, their designee, or the RFQQ Coordinator.
- "Work Order" shall mean the document that awards a specific project to a Contractor, and which includes the statement of work or services, deliverables, start and completion dates, compensation agreements, and other specific terms.
- "Work Request" shall mean a document issued by the WSIB to Pool Contractors requesting a proposal and bid for specific project services.

- “WSIB” shall mean the Washington State Investment Board, described in RCW 43.33A.020 and staff authorized by RCW 43.33A.100. It may also be referred to as “Board” or “Agency” in this RFQQ.
- Additional contract definitions are provided in Exhibit F, on page one of the Attachment A General Terms and Conditions of the Sample Contract.

## 4.2 Compensation and Payment

There is no set level of compensation attributable under the contract. Compensation for services under Optional-Use Contracts resulting from this RFQQ shall be subject to the fee schedule set forth in each Offeror’s response. It is recognized that each assignment will vary by the nature of the work and methods required. However, once the apparently successful Offeror for each project is selected, the fee may be further negotiated. The total compensation negotiated for a project assignment shall be consistent with those fees set forth in the Offerors proposal.

## 4.3 Expected Time Period for Contract

The WSIB expects to execute Contracts no later than June 30, 2020. Contracts will start on or about July 1, 2020, and will be in place for up to five years with an optional extension for up to an additional five-year term at the discretion of the WSIB.

## 4.4 Eligibility to Compete

To eliminate potential conflicts, the WSIB does not generally hire entities that wish to provide both investment management as well as consulting services. Therefore, any firm, which either as a parent company, subsidiary, or affiliate, that is currently performing investment consulting services for the WSIB, may not compete in this RFQQ. The firm(s), or any subsidiary, affiliate or parent company thereof, selected as a result of this RFQQ may not compete during the term of the resulting contract, and any extensions thereto, in any subsequent WSIB procurement, the main purpose of which is to hire a firm or firms for investment consulting services.

# SECTION 5: INSTRUCTIONS FOR COMPLETING AND SUBMITTING BIDS

## 5.1 Board Contact

The RFQQ Coordinator is the sole point of contact at the WSIB. All communications to the WSIB are to be directed in writing to [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov). Contact not previously authorized by the RFQQ Coordinator with other WSIB staff or Board members regarding this procurement after issuance of this RFQQ may disqualify the Offeror.

WASHINGTON STATE INVESTMENT BOARD  
ATTN: FARRELL PRESNELL, RFQQ Coordinator  
2100 EVERGREEN PARK DRIVE SW, P.O. BOX 40916  
OLYMPIA, WA 98504-0916  
TELEPHONE: (360) 956 - 4715  
E-MAIL: [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov)

## 5.2 Intent to Respond and Questions

A Letter of Intent to Respond in the format of Exhibit A attached hereto and any questions regarding this RFQQ must be in writing and must be received by email at [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov) by 4:30 p.m. Pacific Standard Time, April 13, 2020. The Letter of Intent to Respond must include an authorized signature. Letters of Intent to Respond are used to determine how many responses the WSIB can expect in order to plan schedules. Non-submittal of a Letter of Intent to Respond and Questions does not preclude the Offeror from submitting a Proposal or consideration of the Proposal.

The RFQQ Coordinator will respond to all questions in writing and post responses on the WSIB website at [www.sib.wa.gov](http://www.sib.wa.gov) for retrieval and review. Offerors are encouraged to check the website frequently for this posting. It is incumbent on an Offeror to obtain this information once posted to ensure their response is truly responsive.

### 5.3 Schedule of Procurement Activities

The following schedule of activities must be adhered to by all Offerors:

<b>Timetable – Investment Compliance Services Search 2019</b>	
<b>Event</b>	<b>Date</b>
Advertise Search	On or about March 23, 2020
Search Instructions Posted on WSIB Website	On or about March 13, 2020
Offerors Questions Due	4:30PM PST April 13, 2020
Letters of Intent to Respond Due	4:30PM PST April 13, 2020
Answers to Offerors Questions Due	On or about April 17, 2020
Offeror’s Proposals Due to WSIB	4:30PM PT April 28, 2020
Determine Semi-Finalists	On or about May 8, 2020
Notification to Semi-Finalists by the WSIB	On or about May 8, 2020
In-Person / Telephone / Video Interviews with Semi-Finalists (if necessary)	May 18 – 22, 2020
Determine Finalists	May 25-29, 2020
Optional-Use Contract Begins	On or about July 1, 2020

### 5.4 Procurement Modification

The WSIB reserves the right to change the Schedule or modify any part of the RFQQ process by issuance of an addendum. The WSIB also reserves the right to cancel or reissue the RFQQ in whole or in part, and for any reason, at the sole discretion of the WSIB at any time prior to execution of a contract. In the event it becomes necessary to revise any part of the RFQQ, addenda will be posted on the WSIB web site. Offerors are advised to check the site regularly prior to the due dates.

### 5.5 Procurement Instructions

#### 5.5.1 Submitting Responses

Please send an electronic copy of your response by 4:30 PST, April 28, 2020, to [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov). Earlier responses are welcome, and any Response delivered after the deadline will not be considered.

If your Response contains information you consider confidential and proprietary, please mark it such and include a second electronic version with your Response labelled “Copy for Reproduction” with the confidential portions redacted or omitted. Delete only sections of “confidential” information, not the entire page unless the entire page can be defended as confidential. This electronic version will be used as the basis of a response to any Public Records Requests made for a copy of your Response. Where sections of confidential information have been deleted in this electronic version, insert this parenthetical text: “(CONFIDENTIAL INFORMATION REMOVED)” in at least 24 point type and bold. Please secure this electronic version of the “Copy for Reproduction” in a manner that will still allow the WSIB to copy the protected electronic file onto its servers, but will not allow editing of the information, nor allow access to redacted materials or information. In addition to the “copy for reproduction,” please identify those portions that are claimed as confidential in a response transmittal letter pursuant to sections 5-6. Those Responses not marked “Confidential” are subject to full disclosure under the state Public Records laws, as will be any Responses marked “Confidential” in their entirety.

WSIB reserves the right to retain all Responses and accompanying documentation submitted and to use any ideas contained in Responses regardless of whether that Response is selected. Responses retained shall become the property of WSIB and will not be returned. Submission of a Response constitutes acceptance of all conditions contained in this RFQQ, unless clearly and specifically noted in the Response submitted and confirmed and expressly accepted in the subsequent contract between the firm and WSIB.

### 5.5.2 RFQQ Response and Format Requirements

All of the conditions set forth in the following sections must be included, and addressed thoroughly and completely by the Offeror before the WSIB will accept a Response to this RFQQ.

When responding to this RFQQ, we encourage you to describe the ways in which you believe your organization's service is unique or would add particular value. Please be succinct in your answers and, if certain services cannot be provided, please so state when appropriate. Responses must include answers to all questions, comply with all requests for information to permit evaluation, and shall include bookmarks and section titles separating the following parts:

#### **SECTION 1: SERVICES PROVIDED MATRIX (EXHIBIT B ATTACHED HERETO)**

Complete and include Exhibit B – Services Provided Matrix as per the instructions included within the Exhibit.

#### **SECTION 2: MINIMUM QUALIFICATIONS COMPLIANCE CERTIFICATE (EXHIBIT C ATTACHED HERETO).**

Utilizing the format of Exhibit C with supplemental pages as needed, please set forth a full explanation of how each mandatory minimum qualification is met by your firm. A conclusory assertion that a mandatory qualification is met is not sufficient.

#### **SECTION 3: GENERAL INFORMATION AND QUESTIONNAIRE (EXHIBIT D ATTACHED HERETO)**

General Information: Complete and include the General Information and Contact Sheet attached as part of Exhibit d by providing the following information:

- Name, mailing address, phone number, and fax number of legal entity with whom the contract is to be written.
- Name, mailing address, phone number, fax number, and e-mail address of primary contact.
- Name, mailing address, and phone number(s) of principal officer(s).
- Legal status of organization (e.g., sole proprietorship, partnership, corporation, etc.).
- Federal employer identification number.
- Washington State Department of Revenue Registration Number (UBI number) if applicable.
- The location of the facilities from which the Offeror will provide services under any Contract.

Questionnaire: Offerors should complete and include the Questionnaire attached as part of Exhibit D with all appendices, including public pension fund references. The RFQQ and exhibits are available at the WSIB website [www.sib.wa.gov](http://www.sib.wa.gov) and should be downloaded for preparation of your response. Offerors are encouraged, but not required, to use the forms provided as exhibits to the RFQQ. Please note that additional sheets will be necessary

to adequately respond to the Questionnaire, Exhibit D. In those instances when the form provided is not used for your Response, type and number each question. If other exhibit forms attached hereto are not utilized for responding, it is nevertheless mandatory that the same format be retained when drafting your proposed approach to accomplishing the services to be provided in the Scope of Work, 2-1, and Services to be Provided, 2-2, in this RFQQ.

## **SECTION 4: FEE SCHEDULE PROPOSAL (EXHIBIT E ATTACHED HERETO)**

Use the format included as part of Exhibit E for your fee schedule proposal. WSIB recognizes that the fees associated with an individual transition management assignment may vary based on the nature of the transition, its size, and complexity. Nonetheless, WSIB requires that vendors provide full disclosure of the estimated fees and costs for a particular transition plan.

The fees proposed shall include attendance costs and the cost of lodging, meals and refreshments provided at any client conferences offered by the contractor and attended by WSIB staff or Board members.

## **SECTION 5: OFFEROR WARRANTIES (EXHIBIT F ATTACHED HERETO)**

The Certifications and Assurances form, Exhibit F, must be signed by the president, chief executive officer, or other person with authority to bind a corporation; the managing partner of a partnership; the proprietor of a sole proprietorship; or all members of a joint venture; and included in the Offeror's bid.

## **SECTION 6: SUPPLEMENTAL INFORMATION**

Each Offeror may present any supplemental information which the Offeror deems appropriate, as long as each copy of the RFQQ Response contains such supplemental information. The Offeror may also provide supporting documentation, as necessary, for evaluators to determine relevance and value.

### **5.5.3 Proof of Insurance**

Once selected for a contract, an Apparently Successful Offeror must, at its own expense, obtain insurance coverage which shall be maintained in full force and effect during the term of the Contract. The Apparently Successful Offeror(s) shall furnish evidence in the form of a Certificate of Insurance, and a copy shall be forwarded to the Agency within fifteen (15) days of the notification as the Apparently Successful Offeror for the following applicable insurance:

- Commercial general liability insurance
- Professional liability insurance
- Fidelity bond
- Director's Fiduciary.

A Contract with an Apparently Successful Offeror will not be executed until insurance coverage as set forth in the Optional-Use Contract, Exhibit G has been verified.

## **5.6 Proprietary Information**

All material submitted in Response to this RFQQ shall become the property of the WSIB. Such material is subject to public disclosure requests pursuant to Washington's Public Records Act, found in chapter 42.56 RCW, as well

as pursuant to rules promulgated by the WSIB, in chapter 287-02 Washington Administrative Code (WAC) and cases decided by Washington courts. The WSIB's public records policy may be viewed at: [www.sib.wa.gov/boardandcommittees/policies/2\\_00\\_250.pdf](http://www.sib.wa.gov/boardandcommittees/policies/2_00_250.pdf)

All submissions will be treated as confidential and exempt from public disclosure until the Successful Offeror(s) resulting from this RFQQ, if any, is announced by the WSIB. Thereafter, submissions are subject to public disclosure, unless material has been properly designated as confidential and satisfies one of the exemptions from public disclosure under Washington laws.

The materials submitted by the Apparently Successful Offeror will be attached to the resulting Optional- Use Contract and incorporated therein by that attachment. In general, unless particular material has been properly designated as confidential and exempt from public disclosure under Washington laws, such materials will be deemed public records and subject to public disclosure requests.

In the event that an Offeror desires to claim portions of their response as exempt from disclosure under the provisions of Washington's laws, as noted above, it is incumbent upon that Offeror to clearly identify those portions which are claimed as confidential in a response transmittal letter and to provide a "Copy for Reproduction" as noted in section 5.5.1. The transmittal letter must identify the page and particular exemption(s) from disclosure upon which it is making its claim. The generally available exemptions from public disclosure are noted in the WSIB's public disclosure policy, which may be accessed at the WSIB's web pages at the address noted above. Designating the entire response as confidential or proprietary information is not acceptable and will not be honored, and it may subject the offeror's response to being rejected for not being responsive.

The WSIB will consider all requests for exemption from disclosure; however, the agency will make a decision predicated upon RCW 42.56.210-.480 and the current WSIB Public Records Policy. In so doing, the WSIB will exercise good faith in responding to requests for public disclosure of public records, will not discriminate between persons requesting records, and will protect legitimate confidentiality interests.

If any of the specifically requested information is marked as "confidential" in the response but in the opinion of the WSIB does not conform to any one of the enumerated exemptions from disclosure in RCW 42.56.210-.480, such information will not be made available until at least five (5) business days after the affected Offeror has been notified that the information has been requested, to permit the Offeror an opportunity to contest the public disclosure request.

Should a successful Offeror obtain a court order from a Washington State court of competent jurisdiction prohibiting disclosure of parts of its Response prior to the execution of the Contract incorporating the same, the WSIB will comply with the court order. The burden is upon a successful Offeror to evaluate and anticipate its need to maintain confidentiality and to proceed accordingly.

If the affected Offeror has undertaken proceedings within the timeframe to obtain a court order restraining the WSIB from disclosure of the "confidential" information within those five (5) days, the WSIB will not disclose such information until resolution of the court proceeding. Upon failure to make application for judicial relief within the allowed period, the information will be disclosed.

It should be noted, however, that time is of the essence in this solicitation process. Although the WSIB will work in good faith to accommodate legal proceedings concerning confidential information, a delay in execution of the Contract to accommodate a petition to the courts might not be possible or might not be granted.

## 5.7 Records Retention

After the date of the announcement of the Apparently Successful Offerors, the WSIB will retain all products of information received under this procurement in accordance with state record retention laws.

## 5.8 Preparation and Travel Costs

Expenses for the development and submission of required information are the sole responsibility of the Offeror(s). The WSIB will not be liable for any costs associated with preparation and submission of information submitted in response to this RFQQ.

The Offeror assumes responsibility for their personnel's travel and associated costs as they relate to this RFQQ. These costs must be considered in the cost of the fees that will be proposed.

## 5.9 Response Evaluation

### 5.9.1 Evaluation Process

The evaluation of each Offeror will be based upon the completeness of the Response, the appropriateness of the candidates' qualifications to meet the WSIB's requirements, approach to engagement, cost of services, and quality of previous performance, and any subsequently requested materials and interviews which may be used in selecting the winning proposals. Proposals will be reviewed by evaluators who are representatives of the WSIB. After review of the Responses, the evaluators may select a group of Offerors for either phone or face-to-face interviews.

The WSIB reserves the right, at its sole discretion, to reject, without penalty, any and all responses received. The final selection, if any, will be the Responses which, in the opinion of the WSIB, best meet the requirements set forth in the RFQQ and are in the best interest of the WSIB and the state of Washington.

The selection will be accomplished through the following process:

- A. Initially, the WSIB will review each RFQQ Response for compliance with the minimum mandatory requirements as stipulated within the RFQQ, and provide the appropriate information to the WSIB. Noncompliant Responses will be rejected from further consideration.
- B. The WSIB will evaluate the acceptable Responses against the items shown in the "Evaluation Criteria" section.
- C. Through the Response evaluation process, the evaluators will identify a group of Offerors as finalists for further consideration.

Through the selection process, the WSIB reserves the right: (i) not to select any proposal; (ii) to select any portions of a particular proposal for further consideration; (iii) to accept a proposal other than the lowest cost proposal submitted; or (iv) to reject any and all proposals received if such action is considered by the WSIB in its sole discretion to be in the best interests of the WSIB.

### 5.9.2 Evaluation Criteria

The following criteria and relative weight will be used by the evaluators to score each proposal for the selection of finalists for additional interviews and reference checks with existing clients:

<u>Criteria</u>	<u>Percentage</u>
Depth, Stability and Capacity of Organization	20%
Quality and Experience of Personnel	30%
Quality and Relevance of Investment Operations Consulting Services and Approach	30%
Fees	20%
<b>TOTAL</b>	<b>100%</b>

### 5.9.3 Finalist Evaluation Criteria

The WSIB may choose to conduct oral interviews for final selection of Pool Contractors. Interviews may be conducted in person or by telephone at the WSIB's discretion. The oral presentations will be evaluated to develop a consensus decision of the Apparently Successful Offeror(s). The Executive Director of the WSIB must approve all Finalists selected.

The final evaluation will be based on:

- The technical criteria specified in this RFQQ (e.g., depth of overall service offering in relationship to services requested; quality, experience, and sufficiency of personnel assigned; depth and capacity of your organization; quality of existing client relationships and references; fees)
- The cohesiveness of the oral presentations.
- Consistency between the oral interviews and the firm's written bid.
- Reference checks, focusing on past performance (including the WSIB's experience, if applicable) and the firm's ability to:
  - Perform quality and relevant consulting services
  - Provide adequate staffing to meet the current and future needs of the WSIB
  - Work well with the Board and staff.
  - Respond to special requests.
  - The firm's responsiveness during the interview process.

### 5.10 Addenda to the RFQQ

In the event that it becomes necessary to revise any part of this RFQQ, an addendum or erratum in numerical sequence will be provided to all Offerors who have indicated an intention to submit a response and will be posted on the WSIB's website.

### **5.11 Submission Limit**

After submission, Offerors will not be allowed to amend the information submitted unless specifically asked to by WSIB staff.

## **SECTION 6: WSIB RIGHTS**

### **6.1 Information Clarifications/Rejections**

Determination of clarity and completeness in the Responses to any of the provisions in this RFQQ will be made solely by the WSIB. The WSIB reserves the right to require clarification, additional information, and materials in any form relative to any or all of the provisions or conditions of this RFQQ.

The WSIB reserves the right to reject any or all Responses at any time prior to the execution of a contract acceptable to the WSIB, without any penalty to the WSIB.

### **6.2 Contract Award**

The WSIB intends to award a contract to the Apparently Successful Offeror(s) with the best combination of attributes based on the evaluation criteria listed in the "Evaluation Criteria" Section 5-9.2 of this RFQQ.

The WSIB reserves the right to make an award without further discussion of the Response submitted. Therefore, the Response should be submitted initially on the most favorable terms which the Offeror can propose. There will be no best and final offer procedure. The WSIB does reserve the right to contact an Offeror for clarification of its Response.

The Offeror should be prepared to accept this RFQQ for incorporation into a Contract resulting from this RFQQ. Contract negotiations may incorporate some or the Offeror's entire Response. It is understood that the Response will become a part of the official procurement file on this matter without obligation to the WSIB. Should the WSIB fail to negotiate a Contract with an Apparently Successful Offeror, the WSIB reserves the right to negotiate and contract with the next most qualified Offeror.

### **6.3 Publicity**

No informational pamphlets, notices, press releases, research reports, and/or similar public notices concerning this project may be released by the Apparently Successful Offerors without obtaining prior written approval from the WSIB.

### **6.4 Waivers**

The WSIB reserves the right to waive specific terms and conditions contained in this RFQQ.

It shall be understood by Offerors that the information provided is predicated upon acceptance of all terms and conditions contained in this RFQQ unless the Offeror has obtained such a waiver, in writing, from the WSIB prior to submission of any requested information. Any waiver, if granted, will be granted to all Offerors.

## SECTION 7: MISCELLANEOUS TERMS AND CONDITIONS

### 7.1 Successful Offeror Notification

On or about the date specified in Section 5.3, “Schedule of Procurement Activities,” of this RFQQ, a letter indicating whether the Offeror was selected as an “Apparently Successful Offeror” will be emailed to each Offeror who submitted a Response, in accordance with the procedures specified in this RFQQ.

### 7.2 Right to Protest, Determination of Timeliness, and Protest Procedures

Any actual Offeror who is aggrieved in connection with the procurement or award of a contract may protest, in writing, to the Legal Department of the WSIB. Only protests identifying an issue of fact concerning a matter of bias, discrimination or conflict of interest, or non-compliance with procedures described in the procurement document or agency policy shall be considered.

Offerors protesting this procurement solicitation or award shall follow the procedures described herein. Protests that do not follow these procedures shall not be considered. This protest procedure constitutes the sole administrative remedy available to Offerors under this procurement.

Upon exhaustion of this remedy, no additional recourse is available within the WSIB. Chapter 34.05 RCW, Administrative Procedures Act (APA), does not apply to this procurement.

All protests must be in writing and signed by the protesting party or an authorized agent. The protest must state all facts and arguments on which the protesting party is relying. All protests shall be addressed to the Washington State Investment Board, Legal Department, and the RFQQ Coordinator.

#### 7.2.1 Contents of Protest

To expedite handling of protests, the envelope should be labeled “Protest.” The written protest shall include, at a minimum, the following:

- The name and address of the protester
- The appropriate identification of the procurement, including contract number if a contract has been awarded.
- A statement of reason(s) for the protest.
- Any supporting exhibits, evidence, or documents to substantiate any claims unless not available within the filing time, in which case a descriptive title of the document and its expected availability date shall be indicated.

If a protest may affect the interest of any Offeror(s), such Offeror(s) will be given an opportunity to submit its view and any relevant information on the protest to the WSIB Contracts Office.

#### 7.2.2 Types of Protest

- Protests of the RFQQ documents or processes must be received by the WSIB Contracts Office no later than 3:00 p.m., Pacific Standard Time five (5) business days prior to the date Responses are due. Filing of a protest about the RFQQ does not entitle the protesting party to an extension of time for submitting its Response.

- If the protest is for rejection of an Offerors' submitted Response, the protest must be received by the WSIB Contracts Office no later than 3:00 p.m., Pacific Standard Time on the fifth business day following Offeror's receipt of the notice of rejection, whether oral or written, or the announcement of the Apparently Successful Offeror(s), whichever occurs first. Only those who are eligible to submit a Response under the criteria established for the particular procurement involved may protest the rejection of submitted information.
- If the protest is regarding the award of a contract to an Apparently Successful Offeror under this RFQQ, the protest must be received by the WSIB Contracts Office no later than 3:00 p.m., Pacific Standard Time on the fifth business day following the date of the notification of Apparently Successful Offeror letter, outlined in Section 7.2 of this RFQQ. Only those who have submitted a valid bid under the criteria established for this particular RFQQ may protest the award of a contract.

Upon receipt of a protest, a protest review will be held by the Chief Operations Officer to review the RFQQ process utilized. This is not a review of Responses submitted. The review is to ensure agency policy and procedures were followed, all requirements were met, and all Offerors were treated equally and fairly.

The Chief Operations Officer will consider the record and all facts available and issue a decision within five (5) business days of receipt of the protest unless additional time is required. In which case, the protesting party will be notified by the Chief Operations Officer or the RFQQ Coordinator of the delay. The decision of the Chief Operations Officer will be final and conclusive.

### **7.3 Debriefing of Unsuccessful Offerors**

Unsuccessful Offerors will be afforded a debriefing conference upon request. The request for a debriefing conference must be received by the RFQQ Coordinator within three (3) business days after mailing by WSIB of a notification to the unsuccessful Offerors. Discussion will be limited to a critique of the requesting Offeror's Response. Comparisons between Responses or evaluations of the other Offeror's Responses will not be allowed. Debriefing conferences may be conducted in person or by telephone/video conference and will be scheduled for a maximum of one hour. The debriefing conference must be held within thirty (30) days after mailing by the WSIB of notification to the unsuccessful Offerors.

### **7.4 Stay of Contract Execution During Protests**

In the event of a timely protest, the WSIB may proceed further with the procurement but shall not execute the Contract unless the protest is decided or until the Executive Director or a designee makes a written determination that the award of the Contract without delay is necessary to protect substantial interests of the WSIB.

### **7.5 Entitlement to Costs**

In addition to any other relief, when a protest is sustained and the protesting Offeror should have been awarded a Contract under the procurement but was not, then (except if the protesting Offeror is found to be substantially at fault) the protesting Offeror shall be entitled to its reasonable submission preparation costs, but not attorneys' fees or anticipated profits.

## **7-6 Minority & Women-Owned Business Participation**

In accordance with the legislative findings and policies set forth in chapter 39.19 RCW, the state of Washington encourages participation in all of its contracts by firms certified by the Office of Minority and Women's Business Enterprises (OMWBE). Participation may be either on a direct basis in response to this solicitation or on a subcontractor basis. However, no preference will be included in the evaluation of proposals, no minimum level of MWBE participation shall be required as a condition for receiving an award and proposals will not be rejected or considered non-responsive on that basis. Any affirmative action requirements set forth in federal regulations or statutes included or referenced in the contract documents will apply.

## **7.7 General Contract Terms and Conditions**

A contract may result between WSIB and the successful Offeror from this procurement process. Exhibit G of this RFQQ contains the special and general terms and conditions that shall be agreed to.

The submission of a response constitutes acceptance by the Offeror of the special and general terms and conditions.

The WSIB's intent is to have the sample contract accepted as presented without material changes. It is strongly recommended that your firm's legal counsel review the attached contract. If your firm is unwilling or unable to accept the terms of the contract set forth, you must identify your concerns in a cover letter that is to accompany your Certifications and Assurances, and must include a red-line markup of Exhibit F outlining proposed changes. However, WSIB reserves the right at its sole discretion to approve or disapprove changes to the contract.