



WASHINGTON STATE  
**INVESTMENT BOARD**

**WASHINGTON STATE INVESTMENT BOARD**

**REQUEST FOR QUALIFICATIONS & QUOTATIONS  
(RFQQ)**

FOR PLACEMENT INTO A

**PRE-QUALIFIED POOL**

OF

**TAX SERVICE PROVIDERS**

**RFQQ # 16-01**

**MAY 16, 2016**

***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.B.2 (3) AND 5.6 OF THIS RFQQ FOR MORE DETAIL.*

# TABLE OF CONTENTS

## SECTION 1: INTRODUCTION

1-1	Background .....	1
1-2	Purpose .....	1
1-3	Two Tier Solicitation Process .....	1
1-4	Categories of Services/Pre-Qualified Pool (Pools) .....	2
1-5	Updating/Refreshing the Pools .....	3
1-6	Services Required .....	3
1-7	Overview of Organization .....	3

## SECTION 2: STATEMENT OF WORK

2-1	Scope of Work .....	5
2-2	Services to be Provided/Assignment of Work .....	5
2-3	Contract Management.....	5

## SECTION 3: OFFEROR QUALIFICATIONS

3-1	Mandatory Minimum Qualifications.....	6
-----	---------------------------------------	---

## SECTION 4: GENERAL INFORMATION

4-1	Definitions.....	7
4-2	Compensation and Payment .....	7
4-3	Expected Time Period for Contract.....	8

## SECTION 5: INSTRUCTIONS FOR COMPLETING AND SUBMITTING RESPONSES

5-1	Board Contact.....	9
5-2	Intent to Respond and Questions.....	9
5-3	Schedule of Procurement Activities.....	9
5-4	Procurement Modification.....	10
5-5	Procurement Instructions.....	10
5-5.1	Submitting Responses.....	10
5-5.2	Information and Format Requirements.....	11
	Section 1: Summary Letter.....	12
	Section 2: General Information .....	12
	Section 3: Minimum Qualifications Compliance Certificate.....	12
	Section 4: Offeror Warranties.....	12
	Section 5: Questionnaire .....	12
	Section 6: References .....	13
	Section 7: Supplemental Information.....	13
	Section 8: Proof of Insurance .....	13
	Section 9: Fee Proposal.....	13
5-6	Proprietary Information .....	14
5-7	Records Retention .....	15
5-8	Preparation and Travel Costs .....	15
5-9	Response Evaluation .....	15
5-9.1	Evaluation Process .....	15

5-9.2	Evaluation Criteria.....	17
5-10	Addenda to the RFQQ.....	17
5-11	Submission Limit .....	17

**SECTION 6: WSIB RIGHTS**

6-1	Information Clarification/Rejections.....	18
6-2	Contract Award.....	18
6-3	Publicity .....	18
6-4	Equal Opportunity Assurances .....	18
6-5	Waivers .....	18

**SECTION 7: MISCELLANEOUS TERMS AND CONDITIONS**

7-1	Successful Offeror Notification .....	19
7-2	Right to Protest, Determination of Timeliness, and Protest Procedures.....	19
7-3	Debriefing of Unsuccessful Offerors .....	20
7-4	Stay of Contract Execution during Protests.....	20
7-5	Entitlement to Costs .....	21
7-6	Minority & Women-Owned Business Participation.....	21
7-7	General Contract Terms and Conditions.....	21

<b>EXHIBIT "A"</b>	<b>LETTER OF INTENT TO RESPOND</b>
<b>EXHIBIT "B"</b>	<b>MANDATORY MINIMUM QUALIFICATIONS COMPLIANCE CERTIFICATE</b>
<b>EXHIBIT "C"</b>	<b>QUESTIONNAIRE</b>
<b>EXHIBIT "D"</b>	<b>CERTIFICATIONS AND ASSURANCES</b>
<b>EXHIBIT "E"</b>	<b>GENERAL INFORMATION AND CONTACT SHEET</b>
<b>EXHIBIT "F"</b>	<b>FEE SCHEDULE</b>
<b>EXHIBIT "G"</b>	<b>SAMPLE CONTRACT</b>
<b>EXHIBIT "H"</b>	<b>REFERENCES</b>



## SECTION 1: INTRODUCTION

### 1-1 Background

The Washington State Investment Board (hereinafter WSIB or Board), a major institutional investor with \$104 billion under management seeks to contract with firms to create a pre-qualified pool of consultants that provide tax services on an as-needed project basis.

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 39.26 of the Revised Code of Washington (RCW), the WSIB is issuing a Request for Qualifications and Quotations (RFQQ) and awarding contracts to create a pre-qualified pool (Pool) of tax consultants for the WSIB to have timely access to expertise on global and domestic tax issues and requirements.

The role of the contractors will be to cooperatively assist WSIB staff. The WSIB seeks to create separate Pools for various specialty tax services.

### 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) intended to create multiple Pools of pre-qualified contractors for specific categories of tax services. The purpose of the RFQQ is to determine offeror qualifications and obtain a quoted fee schedule to award Contracts to qualified firms. **Please note:** Optional-Use contracts do not include compensation, nor a guarantee of compensation. Compensation is available through award in the second tier process.

The second tier arises as the WSIB determines a need for a specific category of tax services. As needed, the WSIB will release a Project Work Request for a defined project to one or more contractors within one or more service categories (Pools). The second tier will conclude with the award of a Project Work Order to a single contractor. The purpose of the Project Work Request is to obtain a proposal from the contractor and a fixed price quotation for award of a specific project via Project Work Order.

Contracts will be awarded for specific Pools, which will define the terms and conditions of the contractual relationship. The number of Offerors which may be awarded an Optional-Use contract will be determined after review and scoring of responses to this RFQQ. Offerors can be awarded a position (contract) in one or more of the service categories as outlined in the "Categories of Services/Pre-Qualified Pools (Pools)" section below. The term of the contracts will be five (5) years with the option to extend the contract for an additional five (5) years.

A Project Work Request and resulting Project Work Order will define the scope of services and compensation for each specific project. Project Work Requests may be issued throughout the life of the contract. A contract may be extended through the execution of a Project Work Order

through the last day of the contract. If so executed, the contract will terminate concurrently with the Project Work Order.

#### **1-4 Categories of Services/Pre-Qualified Pools (Pools) Including Scope of Work for each Pool**

The WSIB is accepting responses to establish a separate Pool for each of the following categories of service:

##### **A1 Local tax services in foreign markets.**

Certain foreign markets require the appointment of a local tax agent in order for entities such as the WSIB to invest in the market. The local tax agent would provide services such as:

- Calculation and certification to tax authorities of gains and losses related to sale transactions and the associated tax implication.
- Calculating and withholding the correct tax for incomes and gains paid to the WSIB.
- Preparation and filing of tax returns in the local market.
- Monitoring and communicating changes in the tax and other regulatory requirements.
- Interacting with local tax authorities.
- Provision of reports or summaries to the WSIB as requested.
- Review of global tax and reclaim rates for accuracy and consistency with foreign tax laws by our custodian bank to various transactions on a periodic basis.
- Other tax services that may result from changes to foreign tax laws or currently unknown tax requirements.

The Offeror must have the capacity to provide the above either through local offices in various markets or an affiliation with local tax service providers.

##### **A2 State taxes for the WSIB's alternative asset class**

The WSIB is a tax exempt entity at the federal level. However, taxes have been withheld by certain states for income, and realized gains, related to private equity and real estate investments. The WSIB will require the following:

- Preparation of state tax returns to recover, or minimize, state taxes.
- Advising and assisting to obtain the most favorable tax status for new and existing private equity and real estate partnerships.
- Monitoring changes in the tax and other regulatory requirements at the federal and state levels.
- Interacting with state tax authorities and the WSIB's private equity, partners, real estate partners and consultants. Interaction with the WSIB's partners will be limited to the partners' tax specialists.
- Provision of reports or summaries to the WSIB as requested.

Offerors may request placement in one or more Specialty Pools (pool A1, pool A2, or both).

**Offerors may submit a single bid package to apply for multiple categories; however, Offerors must submit a separate Questionnaire for each pool and category (See Exhibit C, Questionnaire). Each category will be scored and awarded separately.**

## 1-5 Updating/Refreshing the Pools

This RFQQ shall be used to establish the initial Pool. Due to market conditions or WSIB needs, the WSIB may choose to add consultants or service categories/Pools in the future by refreshing through the issuance of additional RFQQs as needed. Subsequent RFQQs may be modified to meet needs at the time of the issuance and may include revised qualification requirements, evaluation criteria, and terms and conditions.

## 1-6 Services Required

The WSIB is accepting Proposals from firms interested in providing the types of tax services listed in Section 2 of this RFQQ. Offerors may partner with another firm in order to meet the requirements of the RFQQ. The Questionnaire (Exhibit C) must be answered completely. If an Offeror is going to submit as a partnership with another firm(s), please so indicate, and provide the information requested for all partners.

## 1-7 Overview of the Organization

The Board conducts its investment activities in accordance with applicable state laws and in accordance with investment policies and procedures designed to maximize returns at a prudent level of risk, and exclusively in the sole interests of the funds' stakeholders and beneficiaries.

With respect to Board activity, the WSIB generally meets monthly to set policy, review investment results and act upon staff and consultant recommendations. Staff internally manages fixed income investment assets; while external money managers or advisors are retained under contract as investment fiduciaries to manage all other investment assets. Investment consultants and other service providers are also retained to advise and/or assist the Board with its responsibilities.

As of December 31, 2015, the value of the Commingled Trust Fund (CTF) was \$79 billion. The CTF is invested in six basic asset classes: Public Equity, Fixed Income, Private Equity, Real Estate, Tangible assets, and Cash.

The current asset allocation of the CTF, both target and actual, as of December 31, 2015 is set forth in the following table.

<b>As of December 31, 2015: \$79 billion</b>			
<b>Asset Class</b>	<b>Market Value (000s)</b>	<b>Target Allocation</b>	<b>Current Allocation</b>
Fixed Income	\$ 17,368,175	23.00%	21.93%
Tangible Assets	\$ 2,022,266	3.00%	2.55%
Real Estate	\$ 12,259,536	14.00%	15.48%
Public Equity	\$ 28,947,359	37.00%	36.55%
Private Equity	\$ 17,001,231	23.00%	21.47%
Innovation	\$ 203,267	0.0%	0.26%
Cash	\$ 1,389,039	0.0%	0.22%

The WSIB also manages investments for 23 other public funds that support or benefit industrial insurance for injured workers and their employers (four such funds), funds to benefit schools,

colleges and universities (eight permanent funds), the Budget Stabilization Account, Guaranteed Education Tuition (GET) program, the Developmental Disabilities Endowment Fund, and Game & Special Wildlife Fund (10 such other funds, this count also includes 2 that are not funded). The fiscal year 2015 annual report containing the WSIB-prepared financial statements is at <http://www.sib.wa.gov/financial/pdfs/annual/ar15.pdf>

## **SECTION 2: STATEMENT OF WORK**

### **2-1 Scope of Work**

The WSIB seeks to create a separate Pool of Tax Service providers to perform the categories of services under Section 1-4. The goal is to ensure the WSIB has timely access to highly-qualified tax service teams, in order to allow the WSIB to enter markets where local tax consultants are required and to minimize state taxes on distributions from alternative assets.

### **2-2 Services to be Provided/Assignment of Work**

In short order following the establishment of the Tax Service Providers pool, the WSIB will commence second-tier procurements for specific tax services through the Project Work Request process. Contractors awarded the work from the second-tier process will execute Project Work Orders with the WSIB. The terms of the work assigned to those contractors shall comply that respective firm's umbrella contract in a manner consistent with its terms.

As projects arise over the life of the Tax Services Provider Pool the WSIB will issue a Project Work Request to contractors in a pool that is relevant to the specific tax project. The scope of each tax service assignment or project will depend upon the particular issue on which the WSIB requests assistance. The Project Work Request will clearly delineate the scope of the project and the timeline. A Project Work Order to engage services will be awarded based on the contractor's proposal; expertise and experience; availability; and proposed project cost.

The awarded contractor may be required to meet with the Board, appropriate Committee, and/or WSIB staff during a particular project on a periodic basis at a location and time specified by the WSIB.

Under the resulting Optional-Use Contract, Contractors will be required to invite the 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 the Contractor's similar clients without cost. Included in the fees payable to Contractor, Contractor will cover the cost of such conferences or other similar education activities, including but not limited to all registration fees, materials, lodging, conference meals and refreshments to the extent such conferences or other similar education activities are provided without costs to other clients.

### **2-3 Contract Management**

The WSIB's Investment Accounting and Administration Director will act as the WSIB's contract manager. The contract manager will be responsible for:

- A. Clarifying with the Contractor the expectations of the WSIB, how the WSIB envisions the relationship working on a day-to-day basis;
- B. Overall direction and planning;
- C. Monitoring Contractor progress against contractual commitments;
- D. Designating specific WSIB staff as Project Manager for day-to-day liaison with Contractor; and
- E. Receiving and acceptance of reports from Contractor.

## SECTION 3: OFFEROR QUALIFICATIONS

### 3-1 Mandatory Minimum Qualifications

As of the RFQQ Due Date, Offerors for the Tax Service Provider Pool must satisfy *all* of the requirements as outlined below in order to be considered for the contract award:

- A. Global Tax Consultant; firms with international presence or have a network of affiliation with local tax consultants. The extent of the presence or affiliation must cover all developed and emerging markets as defined by the Morgan Stanley Capital International index (MSCI). Coverage of frontier markets, as defined by MSCI, is highly desirable.
- B. Five (5) years of experience, with considerable background and expertise in servicing at a minimum three (3) tax exempt public pensions of similar size and complexity.
- C. Local Tax Consultant; firms with deep experience and knowledge of all the states and federal tax laws of the United States. In particular as the tax laws apply to incomes and gains distribution from private equity and real estate investments and Limited Liability Company structures.
- D. The Offeror should be prepared to accept the written contract as supplied by the WSIB. The WSIB is an office of the government of the state of Washington and also is strictly obligated in its role as a fiduciary, thereby doubly constrained in its ability to alter or waive many contract components. In establishing a pool of contractors the WSIB will be unable to execute contracts that differ in areas of substance between one pool member and another. If a potential Offeror believes the firm cannot execute the contract provided as an attachment to this RFQQ with little or no changes, the Offeror should carefully weigh its decision to submit a proposal.

## Section 4: General Information

### 4-1 Definitions

- **“Apparently 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 Federal Reserve Board.
- **“Contractor”** shall mean a consultant or 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 staff operations.
- **“Offeror”** shall mean an entity intending to submit or submitting a response to obtain an Optional-Use contract.
- **“Pool”** shall mean a pre-approved list of qualified tax service providers that have been awarded an Optional-Use contract for tax services, for the purpose of selecting contractors for specific projects as needed.
- **“Project Work Order”** shall mean the document which awards a project to a Contractor, which includes the statement of work or Services; deliverables; start and completion dates; compensation and other specific terms.
- **“Project Work Request”** shall mean a document issued by the WSIB to Contractors within the Pool to request a proposal and bid for services to complete a specific project.
- **“Response”** shall mean all information submitted in reply to this procurement, to include raw data for database and requested additional information to ensure required screening and evaluation is conducted.
- **“RFQQ”** shall mean this Request for Qualifications & Quotations, any *addendum* or *erratum* thereto, Offerors’ written questions and the respective answers, and any related correspondence that is: (1) addressed to all Offerors and (2) signed by the Executive Director, his designee, or the RFQQ Coordinator
- **“WSIB”** shall mean the State of Washington, State Investment Board, consisting of the policy 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.

Contract definitions are provided on page one of Attachment “A” General Terms and Conditions of the Sample Contract, Exhibit “G”.

### 4-2 Compensation and Payment

The Contractor's compensation for services shall be for services or hours actually rendered or worked in performance of an awarded Project Work Order at rates set forth in the Contract. Quoted hourly or other rates must be all-inclusive and must cover all charges including but not limited to salary, benefits, indirect costs, travel and supplies.

The WSIB may, at its discretion, choose to negotiate rates prior to award of a Contract. Compensation for an awarded Project Work Order shall be at the rates set forth in the Contract.

Except as expressly agreed to by the WSIB in writing in advance, pool contractors submitting a response to a Project Work Request for a specific project may not submit a response which includes rates above the contracted (response) rates. Additionally, the Project Work Order compensation will be fixed, based on the proposed hours to complete the work (as provided in the contractor's proposal to a Work Request), and may not be exceeded. Contractors awarded a Project Work Order will be required to complete the project within the proposed costs.

Award of a contract does not assure a guaranteed level of work.

#### **4-3 Expected Time Period for Contract**

The WSIB anticipates it will begin executing contracts in early July, 2016. Contracts will commence upon full execution and terminate June 30, 2021. There will be a provision to extend the contract term for an additional five-year term, as well as provisions to allow for completion of Project Work Requests beyond the contract termination assigned during the contract term but not yet completed.

## SECTION 5: INSTRUCTIONS FOR COMPLETING AND SUBMITTING BIDS

### 5-1 Board Contact

The RFQQ Coordinator is the sole point of contact. Throughout the duration of the procurement process, all communications are to be directed, in writing, to the contact listed below. **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  
2100 EVERGREEN PARK DRIVE SW, P.O. BOX 40916  
OLYMPIA, WA 98504-0916  
ATTN.: JOHN LYNCH, RFQQ COORDINATOR  
TELEPHONE: (360) 956-4748 FAX: (360) 956-4775  
E-MAIL: [John.Lynch@sib.wa.gov](mailto:John.Lynch@sib.wa.gov)

AND

RUTH QI, ASSISTANT COORDINATOR  
TELEPHONE: (360) 956-4749  
EMAIL: [Ruth.Qi@sib.wa.gov](mailto:Ruth.Qi@sib.wa.gov)

### 5-2 Intent to Respond and Questions.

“Letters 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 at the WSIB by 4:30 p.m. Pacific Daylight Time, May 25, 2016. Email and facsimile transmissions are allowed. The “Letters of Intent to Respond” will be used to gauge how many responses the WSIB might expect in order to plan evaluator schedules. Non-submittal of “Letters of Intent to Respond” and “Questions” does not preclude the Offeror from sending in a Proposal.

All questions received will be responded to in writing and posted to 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. Offerors mailing responses should allow normal mail delivery time to ensure timely receipt of their proposals by the RFQQ Coordinator listed in Section 5-1 of this RFQQ.

EVENT	DATE
<i>PROCUREMENT INSTRUCTIONS (RFQQ) POSTED ON WSIB WEBSITE</i>	<b>ON OR ABOUT MAY 16, 2016</b>
<i>LETTER OF INTENT TO RESPOND AND QUESTIONS ARE DUE</i>	<b>4:30 P.M. PDT MAY 25, 2016</b>
<i>RESPOND TO WRITTEN QUESTIONS (AVAILABLE ON WSIB WEB SITE)</i>	<b>4:30 P.M. PDT MAY 27, 2016</b>
<i>RESPONSES DUE</i>	<b>4:30 P.M. PDT JUNE 16, 2016</b>
<i>EVALUATION OF RESPONSES CONDUCTED</i>	<b>ON OR ABOUT JUNE 17 – JUNE 30, 2016</b>
<i>NOTIFICATION OF FINALISTS</i>	<b>ON OR ABOUT JULY 1, 2016</b>

## 5-4 Procurement Modification

The WSIB reserves the right to change the Schedule or modify any part of the procurement process, prior to the date fixed for submission of additional information, by issuance of an addendum to all participating Offerors. The WSIB also reserves the right to cancel or reissue the procurement 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 procurement, 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

Responses must be submitted in Adobe Portable Document Format (pdf) to the e-mail address of the RFQQ Coordinator by the RFQQ response deadline. Respondents should clearly label their responses, including all exhibits if not within a single .pdf file. Only one complete response that includes all required information must be submitted. Electronic files sent in multiple e-mails due to size will be considered one response. **Responses may not be transmitted using facsimile transmission.**

The response shall be e-mailed to the WSIB address below on, or before, **4:30 p.m. Pacific Daylight Time, June 16, 2016.** **Late responses, no matter what circumstances surrounding the lateness, will not be accepted, nor will time extensions be granted.**

WASHINGTON STATE INVESTMENT BOARD  
P.O. BOX 40916  
2100 EVERGREEN PARK DRIVE SW,  
OLYMPIA, WA 98504-0916  
ATTN.: JOHN LYNCH, RFQQ COORDINATOR  
RFQQ No.: 16-01

[JOHN.LYNCH@SIB.WA.GOV](mailto:JOHN.LYNCH@SIB.WA.GOV)

The e-mail salutation or outside of the response packaging is to clearly identify the RFQQ number to which the Offeror is responding.

WSIB reserves the right to retain all responses and accompanying documentation submitted. 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 request for qualifications and quotations, unless clearly and specifically noted in the response submitted and confirmed and expressly accepted in the subsequent contract between the firm and WSIB.

Offerors may submit a single response package to apply for multiple categories, however, **Offerors must submit a separate Questionnaire** Exhibit "C", completed in its entirety for each category/pool for which they are seeking inclusion.

Offerors must submit two complete response packages for each service category:

- a) One of these must be identified as the "**Master Copy**" and contain **original signatures**;

b) The second response package must be marked “**Copy for Reproduction,**” and **must** be formatted as follows:

1. Text only on **one** side of the sheet of paper (*i.e.*, no double-sided pages); and,
2. Pages with “confidential” information must be marked utilizing the following procedures.
  - Each page must identify the specific information claimed to be exempt.
  - Each page must be clearly identified by the word “CONFIDENTIAL” printed on the lower right-hand corner of the page.
  - Removed pages must be separately attached and included with a Cover Index (Confidential Response Transmittal Letter) bearing the Offeror’s name.
  - The Cover Index must list all pages that have been removed and each claim of exemption(s) identified for each specific claim of confidentiality.

Those responses not marked as indicated above are subject to full disclosure under Washington’s [Public Records Act](#). In addition, the Offeror(s) response may be rejected for not being responsive.

The Copy for Reproduction will be used by the WSIB to respond to Public Records Requests made, if any, for a copy of your response. (See subsection 5-6 below). Delete only sections of “confidential” information, not the entire page unless the entire page can be justified as confidential. Where sections of confidential information have been deleted in the Copy for Reproduction, insert this parenthetical text: “(CONFIDENTIAL INFORMATION REMOVED)” in at least 24 point type. Please secure this electronic version of the “Copy for Reproduction” in a manner which will still allow the WSIB to copy that protected electronic file onto its servers, but will not allow editing of the information, nor allow access to redacted materials or information.

The outside of the response packaging is to clearly identify the RFQQ number to which the Offeror is responding. It shall be labeled with the firm’s name and “RFQQ 16-01 – Tax Service Providers.”

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 request for qualifications and quotations, 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 Information and Format Requirements**

Responses should be prepared to print out if necessary on 8½ x 11 inch paper; however, 11 x 14 inch paper is permissible for charts, spreadsheets, etc.

***All of the conditions set forth in this section must be included, and addressed thoroughly and completely by the Offeror before the WSIB will accept a bid response to this RFQQ.***

When responding to this request, we encourage you to describe the ways in which you believe your organization’s service capability is unique or would add particular value. Please be succinct in your answers and, if certain services cannot be provided, please so state where appropriate. Responses must include answers to all questions and comply with all requests for information to

permit evaluation and shall include tabs (except for the unbound copy described in 5.5.1) separating the following sections:

### **SECTION 1: Summary Letter**

Please set forth a stand-alone summary letter of the contents of the Offeror's response including all the subsection topics set forth therein. Take particular care in its preparation, for if your firm is selected as a finalist, this document will be used as a guide by the panel conducting oral interviews, if needed. **DO NOT** structure it in the format of a reference to sections of your firm's overall response.

### **SECTION 2: General Information**

Complete and include the General Information and Contact Sheet attached as Exhibit "E", by providing the following information.

1. Name, mailing address, phone number, and fax number of legal entity with whom the contract is to be written.
2. Name, mailing address, phone number, fax number, and e-mail address of primary contact.
3. Name, mailing address and phone number(s) of principal officer(s).
4. Legal status of organization (*e.g.*, sole proprietorship, partnership, corporation, etc.).
5. Federal employer identification number.
6. Washington State Department of Revenue Registration Number (UBI number) if applicable.
7. The location(s) of the facility from which the Offeror will operate.

### **SECTION 3: Minimum Qualifications Compliance Certificate**

Utilizing the format of Exhibit "B" and with supplemental pages as needed, please set forth a full explanation of how each mandatory minimum qualification is met by your firm. A mere conclusory assertion that a mandatory qualification is met is insufficient.

### **SECTION 4: Offeror Warranties**

The Certifications and Assurances form, Exhibit "D," must be signed by the president or chief executive officer of 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 5: Questionnaire (Offeror must submit a separate Questionnaire for each service category.)**

Offerors should complete and include the Questionnaire attached as Exhibit "C" with all Appendices they plan on providing service on.

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. The forms provided as exhibits need not be used for responding; in the case of the Questionnaire, Exhibit "C," additional sheets will be necessary for an adequate response to various questions. In those instances when the form provided is not used for your response, type, and number each question prior to its response. 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 scope of services and services to be provided as set forth in Sections 2-1 and 2-2 of this RFQQ.

#### **SECTION 6: References**

Please provide a listing of relevant references utilizing Exhibit "H". Include a description of work performed, company name and address, contact person, phone number and duration of project. A minimum of three (3) references should be provided. Please also provide one reference that terminated your services recently, if applicable.

#### **SECTION 7: Supplemental Information**

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

#### **SECTION 8: Proof of Insurance**

The Contractor shall, at its own expense, obtain and keep in force insurance coverage which shall be maintained in full force and effect during the term of the contract. The Apparently Successful Offeror 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, and
- Business auto liability insurance.

A contract with the successful Offeror will not be executed until insurance coverage as set forth in the Sample Contract, Exhibit "G" has been verified.

#### **SECTION 9: Fee Proposal**

Fees submitted for the proposed contract shall be guaranteed for a period not less than five (5) years from the effective date of the contract.

The fee proposed must provide the information, and be completed in the format, set forth in Exhibit "F", attached hereto. A separate Fee Schedule shall be submitted for each Pool the Offeror desires to be included in. The services detailed in the "Scope of Services to be Performed" section and the questionnaire of this RFQQ are the basis for the proposed fee. The fee for work performed shall be based upon the number of hours proposed at the fixed fee.

Front loading of fees is not permitted. In no case will the negotiated fee for a project be higher than the fee contained in the response. Each time a service is requested through a Project Work Request, the successful Offeror will propose the amount of hours needed to complete the project. The number of hours will be multiplied by the fee per hour.

## 5-6 Proprietary Information

All material submitted in response to this competitive procurement shall become the property of the WSIB. Such material is subject to public disclosure requests pursuant to Washington's Public Records Act (PRA), found in Chapter 42.56 Revised Code of Washington (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: [http://www.sib.wa.gov/information/pdfs/policies/2\\_00\\_250.pdf](http://www.sib.wa.gov/information/pdfs/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 such material is exempt from public disclosure under Washington laws.

The materials submitted by the Apparently Successful Offeror will be attached to the resulting 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, it is incumbent upon that Offeror to clearly identify those portions which are claimed as confidential in a response transmittal letter. 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. In addition, each page claimed to be exempt must be specifically and clearly identified by the word "CONFIDENTIAL" printed on the lower right-hand corner of the page.

***Designating the entire response as confidential or proprietary information is not acceptable and will not be honored and may subject the offeror's response to being rejected for not being responsive.***

WSIB will consider all requests for exemption from disclosure; however the agency will make a decision predicated upon RCW 42.56.040-.570 and current WSIB Public Records Policy. In so doing, 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, such information will not be made available until three (3) 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 three (3) 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 Apparently Successful Offerors, the WSIB will retain all products of information received under this procurement for a period of six (6) years. However due to limited storage capacity and workspace efficiencies, these materials/products copies will be moved from WSIB headquarters to the Washington State Records Center in Tumwater, Washington at the end of six (6) months from the date of announcement of the apparently successful Offerors. Thereafter, accommodation of any request made pursuant to Chapter 42.56 RCW to examine and/or photocopy responses submitted in response to this RFQQ will be necessarily delayed in order to retrieve the requested records.

However, the WSIB will retain, at its headquarters, copies of the procurement information from the Apparently Successful Offeror(s) for a period of six (6) years from the execution date of contracts resulting from this procurement.

## **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 procurement.

The Offeror assumes responsibility for their personnel's travel and associated costs as they relate to this procurement. 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 review of a candidate firm will be based upon the completeness of the response, reputation, cost of services, quality of previous performance, and any subsequently requested materials. Proposals will be reviewed by evaluators who are representatives of the WSIB. The evaluators will select a small group of Offerors as finalists with whom to conduct on-site visits, in-person or telephone/video interviews, if necessary. On-site visits, in-person or telephone/video interviews may also be utilized in selecting the winning proposal(s).

**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 response(s), which in the opinion of the WSIB, best meet the requirements set forth in the RFQQ and is 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 proposal for compliance with minimum RFQQ mandatory requirements for responsiveness. Non-responsive proposals will be rejected from further consideration. The WSIB will make the final determination on all response rejections.
- B. The WSIB will then evaluate the accepted proposals against the minimum mandatory qualifications contained in the RFQQ. Noncompliant proposals will be rejected from further consideration.
- C. Those RFQQ Proposals meeting the mandatory minimum qualifications will then be evaluated by the WSIB evaluation team against the items shown in the "Evaluation Criteria" section, assigning a numeric score for each of the criteria. The score for each evaluator for each criterion will then be totaled and divided by the number of evaluators to achieve a total evaluated score for the Proposal. Evaluated scores for fees will be figured into the evaluation after the technical evaluated ranking of the firm has been completed. This total evaluated score will determine the evaluation ranking to be used to determine finalists to be selected as Apparently Successful Offeror(s).
- D. The Offeror(s) with the highest evaluated ranking taking into consideration all evaluation criteria may be selected to be finalists.
- E. The finalists will be subject to further evaluation and may be requested to participate in a telephone/video interview. The WSIB staff, based on the interviews and any additional requested information, will make the selection of the Apparently Successful Offeror(s) from the finalists that, in the opinion of the WSIB staff, best fit the needs of and whose interests best align with those of the WSIB.

Through the selection process, WSIB reserves its sole discretion in awarding the contract. 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; (iv) to accept a proposal other than the highest scoring or ranking proposal submitted; or (v) to reject any and all proposals received if such action is considered by WSIB in its sole discretion to be in the best interests of WSIB.

The evaluators through this process will identify the most responsive offers to the requirements stated in this RFQQ using the evaluation criteria and weights as described in the "Evaluation Criteria" section.

### 5.9.2 Evaluation Criteria

- A. The following criteria and relative values will be used by the evaluators to score each written response for the selection of Offerors:

<b>Criteria</b>	<b>Percentage</b>
Approach to and experience in tax services	<b>25%</b>
Qualifications and experience of the firm in servicing similar clients as the WSIB	<b>50%</b>
Quality of existing client relationships and references	<b>15%</b>
Proposed fees	<b>10%</b>
<b>TOTAL POINTS</b>	<b>100%</b>

B. **Oral Interviews**

The WSIB may choose to conduct oral interviews for final selection of Pool Contractors. Interviews may be conducted in-person or by telephone at WSIB's discretion. The oral presentations in the finalist interview stage will be evaluated to develop a consensus decision of the apparently successful Offerors. In both instances the evaluation will be based on the technical criteria specified in this RFQQ (*i.e.*, approach to and experience in tax services, quality of references, and fees), plus these additional factors:

1. The cohesiveness of the oral presentation.
2. Consistency between the oral interviews and the firm's written bid.
3. Reference checks, focusing on past performance (including the WSIB's experience, if applicable) and the firm's ability to:
  - a. Perform quality tax services;
  - b. Work well with the Board and staff;
  - c. Respond to special requests; and
  - d. 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.

### 5-11 Submission Limit

After submission, Offerors will not be allowed to amend the information submitted.

## **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 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 Equal Opportunity Assurances**

Offerors required by state or federal law to have affirmative action plans must be prepared to provide to the WSIB, upon request, copies of their current affirmative action plan, and the most recent evaluation of that plan, if any.

### **6-5 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 mailed 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 Contracts Office of the WSIB. Only protests identifying an issue of fact concerning a matter of bias, discrimination or conflict of interest, errors in tabulation, 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. Telegrams or similar transmittals will not be considered. 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, Contracts Office.

#### **A. Contents of Protest**

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

1. the name and address of the protester; and
2. the appropriate identification of the procurement, including contract number if a contract has been awarded; and
3. a statement of reason(s) for the protest; and
4. 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.

## **B. Types of Protest**

1. Protests against the procurement solicitation documents or processes must be received by the WSIB Contracts Office no later than 3:00 p.m., Pacific Time five (5) business days prior to the date responses are due. Filing of a protest against the solicitation does not entitle the protesting party to an extension of time for submitting its response.
2. If the protest is for rejection of a Offerors' submitted response, the protest must be received by the WISB Contracts Office no later than 3:00 p.m. Pacific 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.
3. If the protest is regarding the award of a contract under this procurement, the protest must be received by the WSIB Contracts Office no later than 3:00 p.m. Pacific 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 procurement may protest the award of a contract.

Upon receipt of a protest, a protest review will be held by the Chief Operating Officer to review the procurement process utilized. This is not a review of responses submitted or the evaluation scores received. 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 Operating 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 Operating Officer of the delay. The decision of the Chief Operating Officer will be final and conclusive.

### **7-3 Debriefing of Unsuccessful Offerors**

Unsuccessful Offerors will be afforded a debriefing conference. The request for a debriefing conference must be received by the RFQQ Coordinator within seven (7) 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 telephone/video conference and will be scheduled for a maximum of half an hour. The debriefing conference must be held within fourteen (14) days after mailing by WSIB of notification to the unsuccessful Offerors, unless an alternate timeframe is agreed to.

### **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 Chief Operating Officer 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(s) from this procurement process. Exhibit "G" of this procurement document contains the special and general terms and conditions that shall be agreed to.

**The WSIB's intent is to have the sample contract accepted as presented without substantive 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. However, WSIB reserves the right at its sole discretion to approve or disapprove changes to the contract.**

**If you are unable to agree to accept the sample contract and should your firm have successfully negotiated and executed a contract for the provision of services similar to those sought by this procurement with a public institutional investor of similar size and purpose to the WSIB, you are encouraged to attach a copy of that contract to your response. In such cases the WSIB will verify that contract relationship with the public institutional investor.**