



STATE OF ALASKA
Department of Administration
Division of General Services
333 Willoughby Ave., 7th Fl. State Office Building
PO Box 110210, Juneau, AK 99811-0210

Request For Proposals

RFP 2015-0200-2779

Date of Issue: 10/20/2014

Title and Purpose of RFP: Recordkeeping and Financial Planning/Advice for the PERS/TRS Defined Contributions Plans, Supplemental Annuity Plan and the Deferred Compensation Plan

Offerors Are Not Required To Return This Form.

Important Notice: If you received this solicitation from the State of Alaska's "Online Public Notice" web site, you must register with the procurement officer listed in this document to receive subsequent amendments. Failure to contact the procurement officer may result in the rejection of your offer.

Jesse Swanson
Procurement Officer
Department of Administration
Jesse.swanson@alaska.gov

TABLE OF CONTENTS

- 1. SECTION ONE INTRODUCTION AND INSTRUCTIONS4**
 - 1.01 RETURN MAILING ADDRESS, CONTACT PERSON, TELEPHONE, FAX NUMBERS AND DEADLINE FOR RECEIPT OF PROPOSALS.....4
 - 1.02 CONTRACT TERM AND WORK SCHEDULE.....4
 - 1.03 PURPOSE OF THE RFP5
 - 1.04 BUDGET.....5
 - 1.05 LOCATION OF WORK5
 - 1.06 HUMAN TRAFFICKING6
 - 1.07 ASSISTANCE TO OFFERORS WITH A DISABILITY.....6
 - 1.08 REQUIRED REVIEW.....6
 - 1.09 QUESTIONS RECEIVED PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS.....6
 - 1.10 AMENDMENTS.....6
 - 1.11 ALTERNATE PROPOSALS.....6
 - 1.12 RIGHT OF REJECTION.....7
 - 1.13 STATE NOT RESPONSIBLE FOR PREPARATION COSTS7
 - 1.14 DISCLOSURE OF PROPOSAL CONTENTS.....7
 - 1.15 SUBCONTRACTORS7
 - 1.16 JOINT VENTURES8
 - 1.17 OFFEROR’S CERTIFICATION.....8
 - 1.18 CONFLICT OF INTEREST8
 - 1.19 RIGHT TO INSPECT PLACE OF BUSINESS.....9
 - 1.20 SOLICITATION ADVERTISING9
 - 1.21 NEWS RELEASES.....9
 - 1.22 ASSIGNMENT.....9
 - 1.23 DISPUTES.....9
 - 1.24 SEVERABILITY.....9
 - 1.25 FEDERAL REQUIREMENTS.....9
- 2. SECTION TWO STANDARD PROPOSAL INFORMATION10**
 - 2.01 AUTHORIZED SIGNATURE.....10
 - 2.02 PRE-PROPOSAL CONFERENCE.....10
 - 2.03 SITE INSPECTION.....10
 - 2.04 AMENDMENTS TO PROPOSALS.....10
 - 2.05 SUPPLEMENTAL TERMS AND CONDITIONS.....10
 - 2.06 CLARIFICATION OF OFFERS.....11
 - 2.07 DISCUSSIONS WITH OFFERORS.....11
 - 2.08 PRIOR EXPERIENCE.....11
 - 2.09 EVALUATION OF PROPOSALS.....11
 - 2.10 VENDOR TAX ID.....12
 - 2.11 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES.....12
 - 2.12 APPLICATION OF PREFERENCES.....12
 - 2.13 5 PERCENT ALASKA BIDDER PREFERENCE.....13
 - 2.14 5 PERCENT ALASKA VETERAN PREFERENCE.....14
 - 2.15 FORMULA USED TO CONVERT COST TO POINTS.....14
 - 2.16 ALASKA OFFEROR PREFERENCE.....15
 - 2.17 CONTRACT NEGOTIATION.....16
 - 2.18 FAILURE TO NEGOTIATE.....16
 - 2.19 NOTICE OF INTENT TO AWARD (NIA) — OFFEROR NOTIFICATION OF SELECTION.....16
 - 2.20 PROTEST.....16
- 3. SECTION THREE STANDARD CONTRACT INFORMATION18**
 - 3.01 CONTRACT TYPE.....18
 - 3.02 CONTRACT APPROVAL.....18

3.03 STANDARD CONTRACT PROVISIONS 18
3.04 PROPOSAL AS A PART OF THE CONTRACT 18
3.05 ADDITIONAL TERMS AND CONDITIONS..... 18
3.06 INSURANCE REQUIREMENTS 19
3.07 CONTRACT FUNDING 19
3.08 PROPOSED PAYMENT PROCEDURES 19
3.09 CONTRACT PAYMENT 19
3.10 INFORMAL DEBRIEFING 19
3.11 CONTRACT PERSONNEL 19
3.12 INSPECTION & MODIFICATION - REIMBURSEMENT FOR UNACCEPTABLE DELIVERABLES 20
3.13 TERMINATION FOR DEFAULT 20
3.14 CONTRACT CHANGES - UNANTICIPATED AMENDMENTS 20
3.15 CONTRACT INVALIDATION 20
3.16 NONDISCLOSURE AND CONFIDENTIALITY..... 20

4. SECTION FOUR BACKGROUND INFORMATION 22

4.01 BACKGROUND INFORMATION 22

5. SECTION FIVE SCOPE OF WORK 26

5.01 SCOPE OF WORK..... 26
5.02 DELIVERABLES 28

6. SECTION SIX PROPOSAL FORMAT, CONTENT AND EVALUATION CRITERIA..... 38

6.01 GENERAL INFORMATION..... 38
6.02 EVALUATION AND SCORING CRITERIA 38
6.03 TECHNICAL PROPOSAL (50 POINTS)..... 39
6.04 COST PROPOSAL (40 POINTS) 44
6.05 ALASKA OFFEROR PREFERENCE (10 POINTS) 45

7. SECTION SEVEN ATTACHMENTS 46

ATTACHMENTS 46
Attachment A – Proposal Checklist..... 47
Attachment B – Proposal Cover Sheet..... 48
Attachment C – Offeror’s Certification 49
Attachment D – Conflict Of Interest Statement (MARK ONE)..... 50
Attachment E – Preference Questionnaire..... 51
Attachment F – Cost Proposal Form..... 52
Attachment G – Notice of Intent to Award..... 55
Attachment H – Standard Agreement Form..... 56
Attachment I – Appendix A (General Provisions)..... 57
Attachment J – Appendix B2 (Indemnity and Insurance)..... 60

SECTION ONE INTRODUCTION AND INSTRUCTIONS

1.01 Return Mailing Address, Contact Person, Telephone, Fax Numbers and Deadline for Receipt of Proposals

Offerors must submit one hard copy of their proposal, in writing, to the procurement officer in a sealed package. The cost proposal included with the package must be sealed separately from the rest of the proposal and must be clearly identified. The sealed proposal package(s) must be addressed as follows:

Department of Administration
Division of General Services
Attention: Jesse Swanson
Request for Proposal (RFP) Number: 2015-0200-2779
Project name: Recordkeeping and Financial Planning
333 Willoughby Avenue 10th Floor
P.O. Box 110208
Juneau, AK 99801-0208

Mailing Address:

PO BOX 110208
Juneau, AK 99811-0208

Physical Address:

333 Willoughby Avenue
Commissioner's Office
10th Floor, State Office Building
Juneau, AK 99801

Proposals must be received no later than 4:30 P.M., Alaska Time on **November 20, 2014**. Faxed or emailed proposals are acceptable but not encouraged. Oral proposals are not acceptable.

If submitting a faxed proposal, it is the offeror's responsibility to contact the issuing agency at **(907) 465-5785** to make arrangements prior to faxing the proposal and to confirm that the proposal has been received.

If submitting a proposal via email, the technical proposal and cost proposal **must be saved as separate PDF documents** and emailed to doa.dgs.info@alaska.gov as separate, clearly labeled attachments, such as "Vendor A – Technical Proposal.pdf" and "Vendor A – Cost Proposal.pdf" (Vendor A is the name of the offeror). The email must contain the RFP number in the subject line.

The **maximum** size of a single email (including all text and attachments) that can be received by the state is **20mb (megabytes)**. If the email containing the proposal exceeds this size, the proposal must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above. It is the offeror's responsibility to contact the issuing agency at **(907) 465-5785** to confirm that the proposal has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

An offeror's failure to submit its proposal prior to the deadline will cause the proposal to be disqualified. Late proposals or amendments will not be opened or accepted for evaluation.

PROCUREMENT OFFICER: *Jesse Swanson* – PHONE **907-465-5785** - FAX **907-465-2194**

1.02 Contract Term and Work Schedule

The contract term and work schedule set out herein represents the State of Alaska's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of proposals, is delayed, the rest of the schedule will be shifted by the same number of days.

The length of the contract will be from July 1, 2015 through June 30, 2019 with the option to renew for four additional one-year terms. All renewals to be exercised solely by the state.

Unless otherwise provided in this RFP, the State and the successful offeror/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least 30-days before the desired date of cancellation.

The approximate contract schedule is as follows:

- Issue RFP **October 20, 2014**
- Pre-Proposal Conference **to be determined.**
- Deadline for Receipt of Proposals **4:30 P.M. (AST) on November 20, 2014**
- Contract start July 1, 2015

1.03 Purpose of the RFP

The purpose of this RFP is to secure recordkeeping, benefit education, financial planning/advice services, and implementation assistance for the new PERS/TRS DC Plan and two established plans, the SBS-AP and the Alaska DCP plans.

Services for recordkeeping, benefit education, financial planning/advice services, and implementation assistance for the PERS/TRS DC, SBS-AP, and Alaska DCP plans will begin July 1, 2015.

Examples

The following documents provide specific working examples of the types of work expected.

- SBS-AP Information Booklet http://doa.alaska.gov/dr/p/sbs_ap/2014sbsPlanBooklet.pdf
- Deferred Compensation Plan Booklet <http://doa.alaska.gov/dr/p/dcp/2011DcpPlanInfoBooklet.pdf>
- PERS/TRS Defined Contribution Plan Booklet <http://doa.alaska.gov/dr/p/dcrp/2013DcrpHandbook.pdf>
- Investment Option Detail Sheets
<https://akdrb.gwrs.com/wrFundOverview.do?accu=AlaskaWR&groupID=98214-04&db=pnp>

1.04 Budget

Department of Administration, Division of Retirement and Benefits, estimates a budget of \$4.3 million a year. Proposals priced at **more than the estimated amount** will be considered non-responsive.

1.05 Location of Work

By signature on their proposal, the offeror certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

If the offeror cannot certify that all work will be performed in the United States, the offeror must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of proposals.

The request must include a detailed description of the portion of work that will be performed outside the United States, where, by whom, and the reason the waiver is necessary.

Failure to comply with these requirements may cause the state to reject the proposal as non-responsive, or cancel the contract.

1.06 Human Trafficking

By signature on their proposal, the offeror certifies that the offeror is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/j/tip/>

Failure to comply with this requirement will cause the state to reject the proposal as non-responsive, or cancel the contract.

1.07 Assistance to Offerors with a Disability

Offerors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the procurement officer no later than ten days prior to the deadline for receipt of proposals.

1.08 Required Review

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the procurement officer at least ten days before the deadline for receipt of proposals. This will allow time for the issuance of any necessary amendments. It will also help prevent the opening of a defective solicitation and exposure of offeror's proposals upon which award could not be made. Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the procurement officer, in writing, at least ten days before the deadline for receipt of proposals.

1.09 Questions Received Prior to Deadline for Receipt of Proposals

All questions must be in writing and directed to the issuing office, addressed to the procurement officer. The interested party must confirm telephone conversations in writing.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision.

1.10 Amendments

If an amendment is issued, it will be provided to all who were mailed a copy of the RFP and to those who have registered with the procurement officer after receiving the RFP from the State of Alaska Online Public Notice web site.

1.11 Alternate Proposals

Offerors may only submit one proposal for evaluation.

In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

1.12 Right of Rejection

Offerors must comply with all of the terms of the RFP, the State Procurement Code (AS 36.30), and all applicable local, state, and federal laws, codes, and regulations. The procurement officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Offerors may not qualify the proposal nor restrict the rights of the state. If an offeror does so, the procurement officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

Minor informalities that:

- do not affect responsiveness;
- are merely a matter of form or format;
- do not change the relative standing or otherwise prejudice other offers;
- do not change the meaning or scope of the RFP;
- are trivial, negligible, or immaterial in nature;
- do not reflect a material change in the work; or
- do not constitute a substantial reservation against a requirement or provision;

may be waived by the procurement officer.

The state reserves the right to refrain from making an award if it determines that to be in its best interest.
A proposal from a debarred or suspended offeror shall be rejected.

1.13 State Not Responsible for Preparation Costs

The state will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

1.14 Disclosure of Proposal Contents

All proposals and other material submitted become the property of the State of Alaska and may be returned only at the state's option. AS 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

Trade secrets and other proprietary data contained in proposals may be held confidential if the offeror requests, in writing, that the procurement officer does so, and if the procurement officer agrees, in writing, to do so. The offeror's request must be included with the proposal, must clearly identify the information they wish to be held confidential, and include a statement that sets out the reasons for confidentiality. Unless the procurement officer agrees in writing to hold the requested information confidential, that information will also become public after the Notice of Intent to Award is issued.

1.15 Subcontractors

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must identify in the proposal the names of the subcontractors and the portions of the work the subcontractors will perform.

If a proposal with subcontractors is selected, the offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the state's request:

- (a) complete name of the subcontractor;

- (b) complete address of the subcontractor;
- (c) type of work the subcontractor will be performing;
- (d) percentage of work the subcontractor will be providing;
- (e) evidence that the subcontractor holds a valid Alaska business license; and
- (f) a written statement, signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.

An offeror's failure to provide this information, within the time set, may cause the state to consider their proposal non-responsive and reject it. The substitution of one subcontractor for another may be made only at the discretion and prior written approval of the project director.

1.16 Joint Ventures

Joint ventures will not be allowed.

1.17 Offeror's Certification

By signature on the proposal, offerors certify that they comply with the following:

- (a) the laws of the State of Alaska;
- (b) the applicable portion of the Federal Civil Rights Act of 1964;
- (c) the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- (d) the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- (e) all terms and conditions set out in this RFP;
- (f) a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury;
- (g) that the offers will remain open and valid for at least 90 days; and
- (h) that programs, services, and activities provided to the general public under the resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.

If any offeror fails to comply with [a] through [h] of this paragraph, the state reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default.

1.18 Conflict of Interest

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The Commissioner of the Department of Administration reserves the right to **consider a proposal non-responsive and reject it or** cancel

the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the program to be developed by the offeror. The Commissioner's determination regarding any questions of conflict of interest shall be final.

1.19 Right to Inspect Place of Business

At reasonable times, the state may inspect those areas of the contractor's place of business that are related to the performance of a contract. If the state makes such an inspection, the contractor must provide reasonable assistance.

1.20 Solicitation Advertising

Public notice has been provided in accordance with 2 AAC 12.220.

1.21 News Releases

News releases related to this RFP will not be made without prior approval of the project director.

1.22 Assignment

Per 2 AAC 12.480, the contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer.

1.23 Disputes

A contract resulting from this RFP is governed by the laws of the State of Alaska. If the contractor has a claim arising in connection with the agreement that it cannot resolve with the state by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – AS 36.30.632. To the extent not otherwise governed by the preceding, the claim shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

1.24 Severability

If any provision of the contract or agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

1.25 Federal Requirements

The offeror must identify all known federal requirements that apply to the proposal, the evaluation, or the contract.

SECTION TWO STANDARD PROPOSAL INFORMATION

2.01 Authorized Signature

All proposals must be signed by an individual authorized to bind the offeror to the provisions of the RFP. Proposals must remain open and valid for at least 90-days from the date set as the deadline for receipt of proposals.

2.02 Pre-proposal Conference

Pre-proposal conference is not set at this time. Offerors will be notified as soon as a date and time is determined. In the meantime, direct all questions concerning this RFP to the Procurement Officer.

When the date and time of the pre-proposal conference is set; the meeting will be held at the Department of Administration, Division of Administrative Service conference room on the 10th floor of the State Office Building in Juneau, Alaska. The purpose of the conference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP. Questions and answers will be posted as an amendment to the RFP on the State's Online Public Notice website: <http://aws.state.ak.us/OnlinePublicNotices/>

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for the pre-proposal conference so that reasonable accommodation can be made.

2.03 Site Inspection

The state may conduct on-site visits to evaluate the offeror's capacity to perform the contract. An offeror must agree, at risk of being found non-responsive and having its proposal rejected, to provide the state reasonable access to relevant portions of its work sites. Individuals designated by the procurement officer at the state's expense will make site inspection.

2.04 Amendments to Proposals

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to the state's request in accordance with 2 AAC 12.290.

2.05 Supplemental Terms and Conditions

Proposals must comply with Section 1.12 **Right of Rejection**. However, if the state fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the state's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

- a) if conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and
- b) if the state's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

2.06 Clarification of Offers

In order to determine if a proposal is reasonably susceptible for award, communications by the procurement officer or the proposal evaluation committee (PEC) are permitted with an offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the procurement officer or the PEC may be adjusted as a result of a clarification under this section.

2.07 Discussions with Offerors

The state may conduct discussions with offerors in accordance with AS 36.30.240 and 2 AAC 12.290. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the procurement officer. Discussions will only be held with offerors who have submitted a proposal deemed reasonably susceptible for award by the procurement officer. Discussions, if held, will be after initial evaluation of proposals by the procurement officer or the PEC. If modifications are made as a result of these discussions they will be put in writing. Following discussions, the procurement officer may set a time for best and final proposal submissions from those offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

If an offeror does not submit a best and final proposal or a notice of withdrawal, the offeror's immediate previous proposal is considered the offeror's best and final proposal.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for discussions so that reasonable accommodation can be made. Any oral modification of a proposal must be reduced to writing by the offeror.

2.08 Prior Experience

Your firm must demonstrate that it meets the following minimum requirements:

- Manage at least \$25 billion in total recordkeeping assets
- Have at least one million recordkeeping participants;
- Provide recordkeeping services for at least three individual plans consisting of 15,000 participants;
- Have direct experience in Governmental and private defined contribution plans – to include IRC Section 401(a), 401(k), 403(b), 457(b) plans;
- Have industry standard security, back-up and recovery capabilities for its recordkeeping system;
- Have publications and educational materials that represent an unbiased approach to investment information; and,
- Have information that educates participants about all aspects of defined contribution plans; including retirement planning and financial advice.

The Offeror must not be or have not been under an order for relief or reorganization entered or approved by any judicial or government regulatory authority, or under any other similar petition, **within the past five years.**

An offeror's failure to meet these minimum prior experience requirements may cause their proposal to be considered non-responsive and their proposal will be rejected.

2.09 Evaluation of Proposals

The procurement officer, or an evaluation committee made up of at least three state employees or public officials, will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in Section SEVEN of this RFP.

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted as a result of receiving new or amended proposals.

2.10 Vendor Tax ID

A valid Vendor Tax ID must be submitted to the issuing office with the proposal or within five days of the state's request.

2.11 Alaska Business License and Other Required Licenses

Prior to the award of a contract, an offeror must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran and Alaska Offeror Preference, an offeror must hold a valid Alaska business license prior to the deadline for receipt of proposals. Offerors should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, P. O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

- (a) copy of an Alaska business license;
- (b) certification on the proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- (c) a canceled check for the Alaska business license fee;
- (d) a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- (e) a sworn and notarized affidavit that the offeror has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time proposals are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,
- liquor licenses issued by Alaska Department of Revenue for alcohol sales only,
- insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance, or
- Mining licenses issued by Alaska Department of Revenue.

Prior the deadline for receipt of proposals, all offerors must hold any other necessary applicable professional licenses required by Alaska Statute.

2.12 Application of Preferences

Certain preferences apply to all contracts for professional services, regardless of their dollar value. The Alaska Bidder, Alaska Veteran, and Alaska Offeror preferences are the most common preferences involved in the RFP process. Additional preferences that may apply to this procurement are listed below. Guides that contain excerpts from the relevant statutes and codes, explain when the preferences apply and provide examples of how to

calculate the preferences are available at the Department of Administration, Division of General Service's web site:

<http://doa.alaska.gov/dgs/policy.html>

- Alaska Products Preference** - AS 36.30.332
- Recycled Products Preference** - AS 36.30.337
- Local Agriculture and Fisheries Products Preference** - AS 36.15.050
- Employment Program Preference** - AS 36.30.321(b)
- Alaskans with Disabilities Preference** - AS 36.30.321(d)
- Alaska Veteran's Preference** - AS 36.30.321(f)

The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development keeps a list of qualified employment programs and individuals who qualify as persons with a disability. As evidence of a business' or an individual's right to the Employment Program or Alaskans with Disabilities preferences, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of these preferences, a business or individual must be on the appropriate Division of Vocational Rehabilitation prior to the time designated for receipt of proposals. Offerors must attach a copy of their certification letter to the proposal. An offeror's failure to provide this certification letter with their proposal will cause the state to disallow the preference.

2.13 5 Percent Alaska Bidder Preference

AS 36.30.321(a), AS 36.30.990(2), & 2 AAC 12.260

An Alaska Bidder Preference of five percent will be applied to the price in the proposal. The preference will be given to an offeror who:

- (1) holds a current Alaska business license prior to the deadline for receipt of proposals;
- (2) submits a proposal for goods or services under the name appearing on the offeror's current Alaska business license;
- (3) has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;
- (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and
- (5) if a joint venture, is composed entirely of ventures that qualify under (1)-(4) of this subsection.

Alaska Bidder Preference Affidavit

In order to receive the Alaska Bidder Preference, the proposal must include a statement certifying that the offeror is eligible to receive the Alaska Bidder Preference.

If the offeror is a LLC or partnership as identified in (4) of this subsection, the affidavit must also identify each member or partner and include a statement certifying that all members or partners are residents of the state.

If the offeror is a joint venture which includes a LLC or partnership as identified in (4) of this subsection, the affidavit must also identify each member or partner of each LLC or partnership that is included in the joint venture and include a statement certifying that all of those members or partners are residents of the state.

2.14 5 Percent Alaska Veteran Preference AS 36.30.321(f)

An Alaska Veteran Preference of five percent, not to exceed \$5,000, will be applied to the price in the proposal. The preference will be given to an offeror who qualifies under AS 36.30.990(2) as an Alaska bidder and is a:

- (a) sole proprietorship owned by an Alaska veteran;
- (b) partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans;
- (c) limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or
- (d) corporation that is wholly owned by individuals, and a majority of the individuals are Alaska veterans.

Alaska Veteran Preference Affidavit

In order to receive the Alaska Veteran Preference, the proposal must include a statement certifying that the offeror is eligible to receive the Alaska Veteran Preference.

2.15 Formula Used to Convert Cost to Points AS 36.30.250 & 2 AAC 12.260

The distribution of points based on cost will be determined as set out in 2 AAC 12.260(c). The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out below. In the generic example below, cost is weighted as 40% of the overall total score. The weighting of cost may be different in your particular RFP. See section SEVEN to determine the value, or weight of cost for this RFP.

EXAMPLE

Formula Used to Convert Cost to Points

[STEP 1]

List all proposal prices, adjusted where appropriate by the application of all applicable preferences.

Offeror #1 - Non-Alaskan Offeror	\$40,000
Offeror #2 - Alaskan Offeror	\$42,750
Offeror #3 - Alaskan Offeror	\$47,500

[STEP 2]

Convert cost to points using this formula.

$$\frac{[(\text{Price of Lowest Cost Proposal}) \times (\text{Maximum Points for Cost})]}{(\text{Cost of Each Higher Priced Proposal})} = \text{POINTS}$$

The RFP allotted 40% (40 points) of the total of 100 points for cost.

Offeror #1 receives 40 points.

The reason they receive that amount is because the lowest cost proposal, in this case \$40,000, receives the maximum number of points allocated to cost, 40 points.

Offeror #2 receives 37.4 points.

$$\begin{array}{rclclcl}
 \$40,000 & \times & 40 & = & 1,600,000 & \div & \$42,750 & = & 37.4 \\
 \text{Lowest} & & \text{Max} & & & & \text{Offeror \#2} & & \text{Points} \\
 \text{Cost} & & \text{Points} & & & & \text{Adjusted By} & & \\
 & & & & & & \text{The Application Of} & & \\
 & & & & & & \text{All Applicable} & & \\
 & & & & & & \text{Preferences} & &
 \end{array}$$

Offeror #3 receives 33.7 points.

$$\begin{array}{rclclcl}
 \$40,000 & \times & 40 & = & 1,600,000 & \div & \$47,500 & = & 33.7 \\
 \text{Lowest} & & \text{Max} & & & & \text{Offeror \#3} & & \text{Points} \\
 \text{Cost} & & \text{Points} & & & & \text{Adjusted By} & & \\
 & & & & & & \text{The Application Of} & & \\
 & & & & & & \text{All Applicable} & & \\
 & & & & & & \text{Preferences} & &
 \end{array}$$

2.16 Alaska Offeror Preference AS 36.30.321 & 2 AAC 12.260

2 AAC 12.260(e) provides Alaska offerors a 10 percent overall evaluation point preference. Alaska bidders, as defined in AS 36.30.990(2), are eligible for the preference. An Alaska offeror will receive 10 percent of the total available points added to their overall evaluation score as a preference.

EXAMPLE

Alaska Offeror Preference

[STEP 1]

Determine the number of points available to Alaskan offerors under the preference.

Total number of points available - 100 Points

$$\begin{array}{rclclcl}
 100 & \times & 10\% & = & 10 \\
 \text{Total Points} & & \text{Alaskan Offerors} & & \text{Number of Points} \\
 \text{Available} & & \text{Percentage Preference} & & \text{Given to Alaskan Offerors} \\
 & & & & \text{Under the Preference}
 \end{array}$$

[STEP 2]

Add the preference points to the Alaskan offers. There are three offerors: Offeror #1, Offeror #2, and Offeror #3. Offeror #2 and Offeror #3 are eligible for the Alaska Offeror Preference. For the purpose of this example presume that all of the proposals have been completely evaluated based on the evaluation criteria in the RFP. Their scores at this point are:

Offeror #1 - 89 points
Offeror #2 - 80 points
Offeror #3 - 88 points

Offeror #2 and Offeror #3 each receive 10 additional points. The final scores for all of the offers are:

Offeror #1 - 89 points
Offeror #2 - 90 points
Offeror #3 - 98 points

Offeror #3 is awarded the contract.

2.17 Contract Negotiation

2 AAC 12.315 CONTRACT NEGOTIATIONS After final evaluation, the procurement officer may negotiate with the offeror of the highest-ranked proposal. Negotiations, if held, shall be within the scope of the request for proposals and limited to those items which would not have an effect on the ranking of proposals. If the highest-ranked offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the state may terminate negotiations and negotiate with the offeror of the next highest-ranked proposal. If contract negotiations are commenced, they may be held in the conference room on the 6th floor of the **State** Office Building in Juneau, Alaska.

If the contract negotiations take place in Juneau, Alaska, the offeror will be responsible for their travel and per diem expenses.

2.18 Failure to Negotiate

If the selected offeror

- fails to provide the information required to begin negotiations in a timely manner; or
- fails to negotiate in good faith; or
- indicates they cannot perform the contract within the budgeted funds available for the project; or
- if the offeror and the state, after a good faith effort, simply cannot come to terms,

the state may terminate negotiations with the offeror initially selected and commence negotiations with the next highest ranked offeror.

2.19 Notice of Intent to Award (NIA) — Offeror Notification of Selection

After the completion of contract negotiation the procurement officer will issue a written Notice of Intent to Award (NIA) and send copies to all offerors. The NIA will set out the names of all offerors and identify the proposal selected for award.

2.20 Protest

AS 36.30.560 provides that an interested party may protest the content of the RFP.

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of proposals.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract.

If an offeror wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing, by the procurement officer within ten days after the date the Notice of Intent to Award the contract is issued.

A protester must have submitted a proposal in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- a. the name, address, and telephone number of the protester;
- b. the signature of the protester or the protester's representative;
- c. identification of the contracting agency and the solicitation or contract at issue;
- d. a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and the form of relief requested.

Protests filed by telex or telegram are not acceptable because they do not contain a signature. Fax copies containing a signature are acceptable.

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

All offerors will be notified of any protest. The review of protests, decisions of the procurement officer, appeals, and hearings, will be conducted in accordance with the State Procurement Code (AS 36.30), Article 8 "Legal and Contractual Remedies."

SECTION THREE STANDARD CONTRACT INFORMATION

3.01 Contract Type

This contract is a **Fixed Price with Adjustment** contract. Contract rates and annual prices quoted for these services are a not-to-exceed amount and will remain firm through the initial term of the resulting contract. For subsequent renewals, beginning January 1, 2019, a Consumer Price Index (CPI) increase may occur in accordance with the following.

Offeror must request price adjustments, in writing, 30 days prior to the renewal date. If the offeror fails to request a CPI price adjustment 30 days prior to the adjustment date, the adjustment will be 30 days after the State receives their written request.

Price adjustments will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI-U) for All Urban Consumers – All Items – Anchorage Area.

The price adjustment rate will be determined by comparing the percentage difference between the CPI in effect for the base year six-month average of January through June 2014 (CPI 214.777) and January through June six-month average thereafter. The percentage difference between those two CPI issues will be the price adjustment rate. No retroactive price adjustments will be allowed.

3.02 Contract Approval

This RFP does not, by itself, obligate the state. The state's obligation will commence when the contract is approved by the Commissioner of the Department of Administration, or the Commissioner's designee. Upon written notice to the contractor, the state may set a different starting date for the contract. The state will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the state.

3.03 Standard Contract Provisions

The contractor will be required to sign and submit the attached State's Standard Agreement Form for Professional Services Contracts (form 02-093/Appendix A). The contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in Appendix A must be set out in the offeror's proposal.

3.04 Proposal as a Part of the Contract

Part or all of this RFP and the successful proposal may be incorporated into the contract.

3.05 Additional Terms and Conditions

The state reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

3.06 Insurance Requirements

The successful offeror must provide proof of workers' compensation insurance prior to contract approval.

The successful offeror must secure the insurance coverage required by the state. The coverage must be satisfactory to the Department of Administration Division of Risk Management. An offeror's failure to provide evidence of such insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

Offerors must review form APPENDIX B2, attached, for details on required coverage. No alteration of these requirements will be permitted without prior written approval from the Department of Administration, Division of Risk Management. Objections to any of the requirements in APPENDIX B2 must be set out in the offeror's proposal.

3.07 Contract Funding

Approval or continuation of a contract resulting from this is contingent upon legislative appropriation.

3.08 Proposed Payment Procedures

The state will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. No payment will be made until the progress report and invoice has been approved by the project director.

3.09 Contract Payment

No payment will be made until the contract is approved by the Commissioner of the Department of Administration or the Commissioner's designee. Under no conditions will the state be liable for the payment of any interest charges associated with the cost of the contract.

The state is not responsible for and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

3.10 Informal Debriefing

When the contract is completed, an informal debriefing may be performed at the discretion of the project director. If performed, the scope of the debriefing will be limited to the work performed by the contractor.

3.11 Contract Personnel

Any change of the project team members or subcontractors named in the proposal must be approved, in advance and in writing, by the project director. Personnel changes that are not approved by the state may be grounds for the state to terminate the contract.

3.12 Inspection & Modification - Reimbursement for Unacceptable Deliverables

The contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the project director. The state may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. The project director may instruct the contractor to make corrections or modifications if needed in order to accomplish the contract's intent. The contractor will not unreasonably withhold such changes.

Substantial failure of the contractor to perform the contract may cause the state to terminate the contract. In this event, the state may require the contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

3.13 Termination for Default

If the project director determines that the contractor has refused to perform the work or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the state may, by providing written notice to the contractor, terminate the contractor's right to proceed with part or all of the remaining work.

This clause does not restrict the state's termination rights under the contract provisions of Appendix A, attached.

3.14 Contract Changes - Unanticipated Amendments

During the course of this contract, the contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the project director will provide the contractor a written description of the additional work and request the contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The contractor will not commence additional work until the project director has secured any required state approvals necessary for the amendment and issued a written contract amendment, approved by the Commissioner of the Department of Administration or the Commissioner's designee.

3.15 Contract Invalidation

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

3.16 Nondisclosure and Confidentiality

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" means compliance by the contractor with all applicable federal and state law, including the Social Security Act and HIPAA. The contractor must promptly notify the state in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the state or its agents or advisors) in oral, electronic, tangible or intangible form and however stored,

compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines provided by the state to the contractor or a contractor agent or otherwise made available to the contractor or a contractor agent in connection with this contract, or acquired, obtained or learned by the contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc).

If confidential information is requested to be disclosed by the contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable state or federal law, regulation, governmental or regulatory authority, the contractor may disclose the confidential information after providing the state with written notice of the requested disclosure (to the extent such notice to the state is permitted by applicable law) and giving the state opportunity to review the request. If the contractor receives no objection from the state, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the contractor must be provided to the state within a reasonable time after the contractor's receipt of notice of the requested disclosure and, upon request of the state, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

SECTION FOUR BACKGROUND INFORMATION

4.01 Background Information

The Alaska Department of Administration, Division of Retirement and Benefits (DOA-DRB), is the Plan Administrator for the Public Employees' (PERS), Teachers' (TRS) Defined Contribution Retirement Plans (PERS/TRS DCR), the Alaska Supplemental Annuity Plan (SBS-AP) and the Alaska Deferred Compensation Plan (DCP).

Enrollment in the PERS and TRS DCR plans is mandatory for all new employees and no enrollment services are required. Active membership results from employment with a participating employer.

The SBS-AP plan is a Social Security replacement plan for all employees of the State of Alaska and 22 political subdivisions. All employees are enrolled upon employment with a participating employer. Enrollment is mandatory and no enrollment services are required. Contributions are reported on a consolidated payroll file.

The DCP is a voluntary plan for the State of Alaska employees only at this time. Within the next 12-18 months the plan may be expanded to other government employers who elect to participate. There are no employer contributions to the plan. The Plan Administrator conducts the enrollments. Once the DCP is expanded to employers other than the State of Alaska, Offeror will need the capability to handle up to 200 individual payroll centers.

PLAN OVERVIEWS

Provisions of the PERS/TRS DCR Plan IRC 401(a):

- The plan is a 401(a) employer-sponsored multi-employer defined contribution plan not subject to ERISA or those sections of the IRC not applicable to governmental plans.
- The plan is mandatory for all employees who are first hired on or after July 1, 2006.
- Participants contribute 8% of their gross salary each pay period on a mandatory basis. No additional contributions are allowed.
- Employers contribute 5% of the participant's gross salary to the account for PERS participants. For TRS participants, employers contribute 7% of the participant's gross salary. Contributions are withheld per pay period.
- Participants are 100% vested in the employee contributions from inception and vest in the employer contributions in graduated percentages over a 5-year period as follows:
 - 25% vested with 2 or more but less than 3 years
 - 50% vested in 3 or more but less than 4 years
 - 75% vested with 4 or more but less than 5 years
 - 100% with 5 or more years
- Participants invest both employer and employee contributions regardless of vesting status among the options selected the Alaska Retirement Management Board (See Section 5.01 subsection IV).
- Any residual balance of the employer's contribution that is not disbursed at the time of participant termination based on the above vesting schedule will be returned to the Plan Administrator.
- Members may also make a plan-to-plan transfer of funds from another qualified plan into the PERS/TRS DCR Plan.
- PERS DCR Plan
 - 23,404 Participants
 - \$38.06 Million in assets
 - 904 withdrawals per year
 - 2,454 new participants each year
 - Contribution Cash Flow 1/1/2014 through 6/30/2014 \$51,635,026.00
 - Disbursements 1/1/2014 through 6/30/2014 \$13,044,427.00

- Plan year-end is December 31st
- TRS DCR Plan
 - 5,607 Participants
 - \$195 Million in assets
 - 117 withdrawals per year
 - 1,200 new participants each year
 - Contribution Cash Flow 1/1/2014 through 06/30/2014 \$24,201,156.00
 - Disbursements 1/1/2014 through 06/30/2014 \$2,610,635.00
 - Plan year-end is December 31st

The Alaska Supplemental Annuity Plan (SBS-AP)

- The plan is a 401(a) employer-sponsored multi-employer defined contribution plan not subject to ERISA or those sections of the IRC not applicable to governmental plans.
- The plan is a Social Security replacement plan for the State of Alaska and 22 political subdivisions/public organizations.
- The plan is mandatory for all employees upon date of hire.
- Participants contribute 6.13% of their gross salary each pay period on a mandatory basis. No additional contributions are allowed.
- Employers contribute 6.13% of the participant's gross salary to the account. Contributions are withheld per pay period.
- Participants are 100% vested in the employee and employer contributions from date of hire.
- Participants invest both employer and employee contributions among the investment options selected the Alaska Retirement Management Board ([See Section 5.01 subsection IV](#)).
- Members may also make a plan-to-plan transfer of funds from another qualified plan into the SBS-AP Plan.

General Plan Statistics as of 6/30/14, unless otherwise indicated

- SBS-Annuity Plan
 - 42,305 Participants
 - \$3.3 Billion in assets
 - 2,209 withdrawals per year
 - 550 new participants each year
 - Contribution Cash Flow 1/1/14 through 06/30/2014 \$90,475,807.00
 - Disbursements 1/1/14 through 06/30/14 \$85,117,990.00
 - Plan year-end is December 31st

The Alaska Deferred Compensation Plan (DCP)

- The plan is a 457 employer-sponsored deferred compensation plan not subject to ERISA or those sections of the IRC not applicable to governmental plans.
- The plan is voluntary for all eligible employees of the State of Alaska.
- Participants contribute a minimum of \$25 each pay period on a mandatory basis. Participants may set up an automatic escalation at times of their choosing.
- Contributions are withheld per pay period.
- Participants are 100% vested in the employee contributions from enrollment into the plan.
- Participants enroll online and designate beneficiaries online.
- Participants invest their contributions among the investment options selected the Alaska Retirement Management Board ([See Section 5.01 subsection IV](#)).
- Members may also make a plan-to-plan transfer of funds from another 457 employer qualified plan into the DCP Plan.
- DCP Plan
 - 10,441 Participants
 - \$761 Million in assets
 - 1,203 withdrawals per year
 - 274 new participants each year
 - Contribution Cash Flow 1/1/14 through 6/30/14 \$22,989,525.00
 - Disbursements 1/1/14 through 06/30/14 \$22,264,314

- o Plan year-end is December 31st

The plans are operated on an “unbundled basis”, and have been for the past 20 years. The Alaska Retirement Management Board (ARMB) decides specific plan investments. The contract for service under this RFP does not include investment offerings.

Recordkeeping Services

Contribution Receipt & Processing

SBS-AP: For the State of Alaska, employer and employee contributions are initiated in the State payroll system AKPAY and are transmitted twice per month to a Department of Revenue, Division of Treasury (DOR-DOT) trust fund account maintained for the plan. Detailed participant contribution records and indicative data changes are transmitted to and maintained by the Plan Administrator and are processed in an internal accounting system.

Contributions from political subdivisions are transmitted @ to the Plan Administrator. Monies from the political subdivisions are also deposited into the DOR-DOT trust fund account. Contribution and indicative data are processed into the internal accounting system as they are received.

DCP: employee deferrals are initiated in the State payroll system twice a month and are transmitted to DOR-DOT where they are temporarily held in a segregated fund within the State General Fund. Detail participant deferral records and indicative data changes are transmitted and maintained by the Plan Administrator and are processed in an internal accounting system. In the next 12-18 months the DCP plan will open to other government employers who elect to participate. The Offeror will need to handle contribution reporting for up to 200 individual payroll centers.

PERS/TRS DCR: Contributions are received from 219 participating employers, including the State of Alaska, municipalities, school districts and other public organizations. Contributions are transmitted to the Plan Administrator multiple times per month depending on each employer’s payroll schedule. Contributions received are transmitted to DOR-DOT trust account maintained for the plans. Detailed participation contribution records and indicative data changes are transmitted to and maintained by the Plan Administrator and re processed in an internal accounting system as they are received.

All Plans: The Plan Administrator accumulates the contribution information for transmission to the record keeper. The record keeper will use this contribution information to divide the money between the various investment options and conducts the net due to \ due from monetary transfers to investment managers based upon new contribution criteria specified by individual participants.

Accounting, Indicative Data Accumulation \ Transmission, Payment of Account Authorization

The Plan Administrator’s internal accounting system maintains indicative, master file, beneficiary, related Qualified Domestic Relations Order (QDRO), Child support Enforcement Division Orders, IRS Levy information, balance, detail contribution, fee, disbursement, summary change-in-value and adjustment data, text comment records, participant projection models, and the facility to print various summary reports for members of the plan. This system uses an ORACLE database engine for the **SBS-AP** and DCP plans. The **PERS/TRS DC** Plan will use an IBM AS400 with a DBII database platform. Data processing professionals who work for the Plan Administrator maintain both systems.

Indicative data changes for active employees must be done with the Plan Administrator. Indicative data changes for terminated employee who have not withdrawn their account balance must be done by the record keeper. The record keeper determines eligibility for payment and conducts the work necessary to allow payment of an account. The record keeper provides an authorized payment list to the Plan Administrator for approval. Once approved, the record keeper makes the payment according to the participant distribution election. Accounts are also split, and a new account is set up, for an alternate payee under QDRO or for beneficiary purposes.

At the end of each month the record keeper transmits a summary record of each account that the Plan Administrator loads into an internal accounting system that maintains historical information on each member

(there have been different record keepers in the past). The record keeper and the Plan Administrator reconcile their system on a regular basis.

Day-To-Day Member Account Activity

All investment options are provided on an “unbundled” basis. The recordkeeping contract must be self-sustaining and is not dependent on investment option interaction. All investment options use a variable daily unit value. Members can conduct at the member’s request, but they are greatly discouraged. The Plan Administrator maintains a web site for all plan activity, and the record keeper’s system is linked through that system.

Participants can conduct transfers among options (using same day \ late day trading-settlement), changes in the investment of future contributions, obtain information on account balances, account composition, past activity history, etc. Alaska Deferred Compensation Plan participants can also enroll, change contribution amounts, set automatic contribution increases, stop contributions and complete beneficiary designations online.

Investment transfer confirmations for web transactions are not normally mailed, they are obtained by the member directly from the web site after a transaction has been accepted. IVR \ VRU transaction confirmations are mailed.

The record keeper also prepares quarterly consolidated account statements for all plans the participant is enrolled that include a complete detail of all transactions by the investment option. Included with the statements are a four to six page report on option results and plan direct information, a quarterly newsletter of varying length, and occasionally an insert or two with specific information to be communicated as needed. The Administrator’s goal is to have participants receive one consolidated statement for all enrolled plans.

All material that is included in the statement is also placed on the Plan Administrator’s web site. Members must be able to elect the use of electronic rather than paper statements.

Fund Investment Support

Fund Investments are chosen by the Alaska Retirement Management Board and administered by the Treasury Division, Department of Revenue by a Chief Investment Officer. Record keeping support is needed to assist in the audit of the investment funds, provide reconciliation to fund managers and to strike the daily price for the SSgA funds and report the price to the fund manager.

Benefit Education Services

The PERS/TRS DC Plan is the core retirement plan for all public employees and teachers. It is the Plan Administrator’s objective to provide the education, resources and tools necessary for participants to successfully manage their accounts.

The Offeror’s Proposal must include a comprehensive plan for communication, outlining all communications materials it expects to provide. Offerors should also include any communications efforts not specifically listed within Section 5. Scope of Work.

The SBS-AP and DCP plans are supplemental plans. It is the Plan Administrator’s objective to provide education, resources and tools for successful management of accounts to participants in these plans as well as education efforts illustrating how these plans enhance the retirement capabilities of members. The Plan Administrator expects proposals to include an in-Alaska office that is appropriately staffed to meet the needs of participants in the most populated areas of the state as well as the capability to travel to other areas of the state to meet with participants. Offeror should include all available options that would ensure a successful plan, even if not specifically listed in this RFP.

Financial Planning

The Plan Administrator requires the offeror to provide the level of assistance needed for participants to make informed investment decisions and to reach retirement planning goals. Services should range from education regarding investments, retirement and financial planning principles to financial advice, assistance with portfolio development to managed accounts.

SECTION FIVE SCOPE OF WORK

5.01 Scope of Work

The Plan Administrator is soliciting proposals for recordkeeping, account maintenance, benefit education, financial planning/advice and investment services as outlined below:

Recordkeeping Operations

In general, the record keeper under this RFP will

- maintain records associated with a Participant's account including, but not limited to beneficiary, address, investment election and account balance information, including contributions, earnings, administrative costs, fees and any other information necessary for the proper administration of a participants account
- display Health Reimbursement Arrangement balances on quarterly statements
- make investment election changes and investment transfers daily
- not impose any limitations such as a maximum number of changes, contribution investment transfers or elections.
- work with and timely provide the State investment staff and consultants with data requested.
- comply with the requirements of any agreement pertaining to plan investments entered into by the State.

Investment Funds:

The record keeper under this RFP must be able to accommodate day-to-day recordkeeping that involves the list of investment funds for the SBS-AP, DCP and PERS/TRS DC plans as shown in Section 5.02 of this RFP.

The record keeper must be able to accommodate late day \ same day trading. This is where a trade placed at or before 12:00 noon (Alaska Time) – 4:00 p.m. market close EST, on a market business day, are processed that business day, and trades received after noon (AT) are processed the next business day.

The record keeper must be able to provide a member identification system that supports the use of non-social security number identifiers.

The record keeper will:

- Prepare consolidated quarterly statements that include an estimate of future monthly income from the investment balances and display Health Reimbursement Arrangement balances for members of the PERS/TRS DCR plans. HRA balances will be transmitted to the recordkeeper from the division.
- Newsletters containing investment returns and interest rate information on the funds in the Plan, current news regarding the Plan and a specific retiree section.
- Provide a customized website for the Plans that meet the State of Alaska look and feel standards.
- Maintain the website for participants to access their accounts to make maintenance changes, enroll in advice services or access basic investment education online.
- Provide a customer service center with a toll-free number dedicated to the State of Alaska for participant inquiries that meets all performance standards established by the State.
- Provide mobile offerings, including a mobile optimized web site.
- Process tax documentation.
- Maintain alliances with investment companies offering funds in the SBS-AP, DCP and PERS/TRS DC Plan.
- Provide administrative reports on monthly, quarterly and annual basis including but not limited to plan, participant, statistical, marketing and ad hoc.
- Comply with the Plan Administrator's audit requests.
- Comply with insurance and liability coverage.
- Agree that all communications to participants will be approved by the Plan Administrator prior to mailing
- Provide account services including, but not limited to, account balances/values, changes in allocation

- and requests related to account balances or value.
- Provide online investment advice service.
- Provide group meetings, seminars and educational workshops approved by the Plan Administrator.
- Agree to Performance Standards.
- Provide and administer a money market account for purposes of clearing transactions and to hold administrative fee amounts collected.
- Excellent and timely administrative services, recordkeeping, customer service, communication, education, transition serves, reporting and compliance.
- Not offer products or services to Participants not expressly authorized in writing by the State, nor send any materials to Participants not previously approved by the State.
- HRA member accounts are currently being record kept by the division; however it is anticipated that before the end of the contract this function will move to the record keeper;
- Provide unbundled services for recordkeeping only, with no restriction
- Provide no requirement or restriction that requires investment management \ investment option provision to coincide with any recordkeeping contract;
- Provide staff available for telephonic support between the hours of 8:00am to 5:00pm Alaska Time by access through a toll-tree number.

Benefit Education

Education resources and tools should be applicable to all plans identified under the RFP; however, additional requirements are needed for the PERS/TRS DC Plan. The PERS/TRS DC Plan is the core retirement plan for all new public employees and teachers. It is the Plan Administrator's objective to provide education, resources, and tools necessary for participants to successfully set and achieve their goals for retirement security.

The Record Keeper will:

- Prohibit Record keeper's onsite representatives providing services to the State from receiving asset-based compensation, such as commissions, bonuses, or other incentive compensation towards any investment product or service.
- Provide a sufficient number of properly licensed, trained and qualified representatives to provide the services under supervision with respect to their business activities.
- Representatives will provide information in a manner consistent with applicable insurance and securities law. Information supplied to Participants shall not constitute "investment and/or tax advice" upon which the Participant or Plan Sponsor may rely.
- Ensure that no representative may discriminate with respect to investment options or services provided under the Plan. Representatives will give equal and fair representations when describing the various investment options or services available.
- Provide onsite support and enrollment services for the Alaska Deferred Compensation Plan.
- Notify the State immediately of the termination or reassignment of personnel who are primary contacts or representatives of the Recordkeeper for the State.
- Ensure representatives will conduct group meetings at which the summary of key provisions and investment options of the Plan, available services and basic investment education are provided.
- Ensure representatives will not provide information on defined benefit Plan provisions of the PERS/TRS Defined Contribution Retirement Plan or the PERS and TRS defined benefit plans.
- Ensure representatives will provide individual counseling sessions to provide Participants with information on investment options, allocation models, advisory services available and basic retirement counseling as approved by the Plan Sponsor.
-

III. Financial Planning/Advice

An important design component for a core defined contribution plan includes that members receive investment and planning advice. The Plan Administrator's objective is for PERS/TRS DC Plan participants to have the level of assistance they need in order to make informed investment decisions and to reach their retirement planning goals. Services desired range from education regarding financial planning principles, assistance with portfolio

development to financial advice and managed accounts. The Plan Administrator is interested only in proposals that include an office and staff located in Alaska.

IV. Investments

The four plans in this RFP are all participant directed. Participants may choose from the following funds:

- U.S. Real Estate Investment Trust Index
- T. Rowe Price Small-Cap Stock Trust
- Brandes Institutional International Equity Fund
- World Equity Ex-U.S. Index
- RCM Socially Responsible Investment Fund
- Russell 3000 Index Fund
- S&P 500 Index Fund
- S&P 500 Stock Index Fund
- Alaska Target Retirement 2055 Trust
- Alaska Target Retirement 2050 Trust
- Alaska Target Retirement 2045 Trust
- Alaska Target Retirement 2040 Trust
- Alaska Target Retirement 2035 Trust
- Alaska Target Retirement 2030 Trust
- Alaska Target Retirement 2025 Trust
- Alaska Target Retirement 2020 Trust
- SSgA Global Balanced Fund Alaska Long-Term Balanced Trust
- Alaska Target Retirement 2015 Trust
- Alaska Balanced Trust
- World Government Bond Ex-U.S. Index
- Long U.S. Treasury Bond Index
- Government/Credit Bond Index Fund
- U.S. Treasury Inflation Protected Securities Index
- Intermediate Bond Fund
- Stable Value Fund
- Interest Income Fund (Alaska Deferred Compensation Plan)
- Alaska Money Market Fund (PERS/TRS Defined Contribution Plans)
- State Street Treasury Money Market Fund-Inst. (Alaska Supplemental Annuity Plan)

5.02 Deliverables

I. Recordkeeping Operations

Investment Funds:

The record keeper under this RFP must be able to accommodate day-to-day recordkeeping that involves the list of investment funds for all the plans.

The record keeper must be able to accommodate late day \ same day trading. This is where a trade is placed at or before 12:00 noon (Alaska Time) -4:00 p.m. market close EST, on a market business day, are processed that business day, and trades received after noon (AT) are processed the next business day.

Initial Account Enrollment / Allocation:

The Plan Administrator conducts participant enrollment for all mandatory plans and will provide all necessary indicative data, amount of contributions, initial allocations, and effective date information via an electronic file. The Offeror will conduct participant enrollment for the Alaska Deferred Compensation Plan with enrollment through the online portal.

Changes to Indicative Data (Name Changes/Address/Phone Number, Act.):

Changes to active participant indicative data will be processed through the Plan Administrator and will be sent with all other indicative data at times specified in this RFP. Because participants will be able to make transfers of existing balances and changes in allocations of future amounts directly by phone with the contractor, the Plan Administrator must control proper identify data for purposes of control and audit. Changes made to Offerors systems to indicative data for active employees will be over-written when the next payroll is posted. Active participants must change their indicative data with their employer. Telephonic changes of indicative data by active participants will not be allowed for any reason.

Changes to terminated participant indicative data will be processed through the Offeror. Indicative data changes for terminated participants must be reported back to the Plan Administrator. The plans offer several annuity options. Once an account has been used to purchase an annuity, the participant can make changes directly with the payer without reporting back to the Plan Administrator.

Change in Amount of Contributions (Increase/Decrease) and Related Allocation Changes:

Automatically provided with semi-monthly transmitted data.

Transfer of Existing Balances among Options:

- The participant must be able to conduct transfers directly with the contractor by Internet or VRU-IVR (Voice Response Unit – Interactive Voice Response) or similar technology, including with a customer service agent if so requested
- Telephone transactions must be recorded and retained eighteen (18) months. The contractor will send a confirmation of transfer actions initiated by telephone to the participant.
- For those participants who want to make transfer changes through the Plan Administrator, the Plan Administrator will take the appropriate information and remit via telephone to the contractor.

Change in Future Allocations of Net Contributions among Options:

The participant should be able to conduct future allocation changes with the contractor through the Internet or VRU-IVR. For those participants who want to make future allocation changes through the Plan Administrator, the Plan Administrator will take the appropriate information and remit via telephone to the contractor.

Information Requests Related to Account Balances/Account Value, by participants:

Both the contractor and Plan Administrator will be able to answer these questions. The available information should include; all indicative data, other security data, account information for at least the last 18 months as account balance, balance by investment options, contributions, fees, adjustments, payments, the history of daily fund values and units.

Information Requests Related to Address Changes:

The Plan Administrator is responsible for most requests related to address changes. The Offeror's call center staff will direct plan participants to conduct address changes for active participants through their employer Human Resources or Payroll Office.

Participants who are terminated and have deferred payment of their account will be instructed to request address changes in writing through the Offeror.

Participants who have purchased an annuity supplied by the plan must make address changes directly with the payer.

Termination of Contributions:

Termination of contributions will be conducted by the Plan Administrator and will be part of the semi-monthly transmission of contribution information.

Payment of Account:

The participant will submit the appropriate forms required by the Plan Administrator to the record keeper. The record keeper will determine eligibility and submit a list of accounts approving payment, the type of payment authorized, and any changes of indicative or tax data to the Plan Administrator for final payment approval.

The contractor will take appropriate payment action within three business days of receipt of the payment instructions.

Post Payment Tax Reporting Changes/Error Correction:

The Plan Administrator must approve any address change or redirection of tax information. The record keeper will issue duplicate or corrected 1099Rs.

Cash Flow:

The Plan Administrator will make an electronic funds transfer of contribution dollars, through the Alaska Department of Revenue, Treasury Division, to the contractor multiple times a month, depending of the payroll schedule for each employer. This transfer will commence on a schedule determined for each year in advance.

The contractor will receive the contributions data two business days prior to the money transfer. On the same day that money is transferred from the Plan Administrator, the contractor will make allocations to the Investment Fund Managers and send the monies to the Investment Fund Managers.

When payments of accounts are conducted, the contractor will send the payments as instructed and make arrangements to receive the monies from various Investment Fund Managers. Amounts transferred to the annuity carrier will be by electronic funds transfer.

Contribution Information Data Flow:

Participant's contributions, new selection information, and indicative data will be sent via electronic transfer, in an electronic file format. All transactions will be through a secure FTP site.

Payment Processing:

At a minimum the selected Recordkeeper will be required to provide a Certified Financial Advisor with at least 3 years of experience to assist employees who are terminating employment or retiring to elect whether they wish to take distribution from the plans and what form the distribution will take, and to make a direct rollover to an IRA or other Qualified plan, if the participant so elects. The Financial Advisor must explain the range of payout options that may be selected and tax requirements of each.

Processing / Maintenance of Participants Account Records – General:

The contractor Will:

1. Initialize new accounts base on electronic information sent;
 - The contractor's database will have the capacity to accept record field lengths provided by the State.
2. Post indicative data changes (names/address/social security number/identifying information/status/etc.);
3. Validate input data and resolve discrepancies with the Plan Administrator;
4. Update accounts for all participants; including, but not limited to:
 - posting contributions to all eligible employee records as applicable, including adjustments;
 - contributions should be listed individually with an employer number and dated with the date of receipt by the contractor;
 - posting service data to all eligible employee records as applicable, including adjustments;
 - calculating and deducting administrative fees;
 - splitting contributions for each participant by investment fund;
 - within an account balances should be maintained by employer source of contributions;
 - processing transfers;
 - processing adjustments;
 - allocating investment earnings as applicable, including dividends and/or gains/losses;
 - updating unit values and units in account;
5. Maintain daily valuation records for each participant, in total by investment option;
6. Process distributions and prepare monthly distribution reports for the Plan Administrator;
7. Prepare tax reporting for participants receiving distributions;
8. Prepare participant Statements; including, but not limited to:

- producing, preparing, and mailing quarterly participant statements, no later than 20 days after the close quarter (See paragraph 5.06 for details).
 - producing, preparing, and mailing duplicate individual participant statements, upon request.
 - producing duplicate participant statements on CD-ROM for the Plan Administrator within five business days of statements production.
9. Produce a monthly management report of participant balances of transactions in electronic format and transmit the data to the Plan Administrator.
 10. Reconcile financial records with participant records monthly. Indicative a description and disposition of reconciling items.
 11. Maintain records associated with a Participant's account including, but not limited to beneficiary, address, investment election and account balance information, including contributions, earnings, administrative costs, fees and any other information necessary for the proper administration of a participants account.
 12. Make investment election changes and investment transfers daily
 13. Not impose any limitations such as a maximum number of changes, contribution investment transfers or elections.
 14. Work with and timely provide the State investment staff and consultants with data requested.
 15. Comply with the requirements of any agreement pertaining to plan investments entered into by the State.

Qualified Domestic Relations Orders

The record keeper under this RFP will administer Qualified Domestic Relations Orders for all Plans referring to the Plan Sponsor approved model form of the Qualified Domestic Relations Order (Exhibit #). The record keeper will review and qualify a domestic relations order in accordance with Plan provisions and Alaska Law. The record keeper will process the QDRO, without Plan signature, by establishing a separate account for the Alternate Payee, or making a lump sum distribution to the Alternate Payee. The record keeper will send a copy of each QDRO confirmation or rejection letter to the Plan Sponsor. The record keeper shall process distribution requests received in good order, and in a manner acceptable to the Plan from Alternate Payee accounts established before the effective date of the Agreement without Plan Sponsor signature.

Unforeseeable Emergency Requests

The record keeper under this RFP will administer Unforeseeable Emergency requests for the Alaska Deferred Compensation (457 Plan). The record keeper will process all Unforeseeable Emergency Requests received in good order, and in a manner satisfactory to Internal Revenue Service, without Plan Sponsor signature, due to an unforeseeable emergency as described by the Internal Revenue Code Section 152.

Audits

Transaction Activity:

The Plan Administrator will conduct an audit/review of sample plan activities that were conducted directly with the contractor to assure adherence to Plan rules on a random basis. The Plan Administrator, or its designated representative, will conduct reviews. The Plan is audited annually by independent auditor selected by information in the contractor's possession. The contractor must have available, an appropriate SAS 70 (as amended by SAS-88), Report of Processing of Transactions by Service Organizations. This report involves a review of their internal control and processing facilities conducted by a Certified Public Accounting firm showing their adherence to accepted account, finance, and investment industry practices as they apply to activities conducted by the contractor.

The record keeper under this RFP will facilitate due diligence reviews by the State and its agents including, without limitation, review of record keeper's operations and administrative services.

Accuracy and Accountability

The record keeper under this RFP will accept full responsibility for processing errors it makes and report errors made within a reasonable period of time. In the even a Participant incurs a loss or a lost opportunity due to an error by the Recordkeeper, the Recordkeeper shall make the Participant whole by adjusting the Participants account to the same position or level as if the error had not occurred unless the adjustment would not be beneficial to the Participant.

The record keeper under this RFP will discharge each of its duties with the due care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

The record keeper under this RFP will not use Participant data in any way to market other products or contact Participants for any reason, other than as authorized by the State; and Participant data is to be kept confidential and may not be sold, licensed, transferred, made available or disclosed unless specifically authorized in writing by the State.

II. Participant Statements

Consolidated quarterly statements are to be mailed to the participants at their home mailing address or to their electronic mailbox no later than 20 days after the end of the quarter. The statement will combine data from all plans for which the participant is enrolled and should contain, at minimum, participant demographic information,

- balance of participant account at the beginning of the statement period (displayed as employee and employer contributions then total contributions),
- employee and employer contributions made throughout the quarter,
- losses or gains for the quarter,
- fund participation information,
- years towards vesting in employer contributions
- refundable balance as of the end of the quarter.
- Estimated future monthly benefit
- Health Reimbursement Arrangement balance

Statements format will be as mutually agreed upon. It is the Plan Administrator's objective to have consolidated statements for participants who are enrolled in multiple plans under this RFP.

The contractor must be able to offer electronic statements, for participants who elect it, within six months of the contract starting date.

III. Reports/Electronic Data

The Offeror will

- accurately and fully report plan activity, account balances and fees.
- provide timely, easy to read and helpful Participant statements for each calendar quarter no later than 15 days after the close of the quarter.
- statements must consolidate the information for all State of Alaska defined contribution plans the Participant is enrolled in.
- quarterly Reports to the Plan must summarize Plan participation, assets, investment returns, ratings, receipts, disbursement, balance, enrollment statistics for advisory services and related matters no later than the 30th day following quarter close.
- provide all client reporting in compliance with Governmental GAAP.

All reports are required to be plan specific.

1. Disbursement Report:

MONTHLY – The contractor will produce of all disbursements. This report will be produced at least monthly and be sent to the Plan Administrator by the tenth business day after the end of the month. Minimum information to be included:

- name, address, employer number, SSN of participant;
- name, address, SSN of payee if different then the participant; (i.e. Qualified Domestic Relations, Order, Beneficiary, etc.);
- date of actual payment;
- gross amount, tax withholding, and net check amount.

2. Employer\Plan Administrator Report of Summary Participant Activity:

MONTHLY – The contractor will produce a report of all participant activity. This report will detail activity the end of each month. Minimum information to be including:

- name, address, employer number, SSN of participant
- account status; i.e., active versus inactive
- for each fund and in total
- beginning balance
- gross contributions
- fees deducted
- net contributions allocated
- interest / dividends
- change in account value
- units
- transfers in
- transfers out
- ending balance
- year-to-date gross contributions
- service accrual to date
- percent of vesting in employer's contributions
- gains and losses allocated to the employer portion of contributions
- year-to-date administrative fees deducted
- inception-to-date contributions

Transaction history to be included:

- type of transaction
- effective date of transaction
- amount
- units
- unit value / interest rate
- fund affected

MONTHLY – The contractor will provide the data elements indicated above, in a text electronic format within 15 business days after the end of the month. The Plan Administrator will decide the exact format the data is to be supplied in, and the Contractor must be flexible enough to accommodate variable formats.

3. Plan Administrator Reports – MONTHLY.

- Summary of plan activity broken out by investment fund for each plan.
- Summary reconciliation of investment fund assets to participant account totaled by fund.

4. Plan Administrator Reports – ANNUALLY.

- Report of required IRC minimum distribution payments for all age 70.5 and great participant accounts.
- A summary of plan activity broken out by investment for each fund for each plan year and the end of the plan year.

5. CD-ROM \ DVD Copy of Statements QUARTERLY – Within 30 days after the end of each quarter, the contractor must supply three copies of a set of CD-ROMS(s) \ DVD of each statement sent to all participants to the Plan Administrator.

6. Money Market Fund Activity Report:

MONTHLY – The contractor will provide a monthly report of the activity in the money market fund to include the following minimum information:

- Beginning balance for the period
- Summary of transactions
- Earnings/Dividends and gain/loss for period

- Transfers in/out
- Ending balance for the period.

One copy of the report is to be sent to the Plan Administrator. A second copy of the report is to be sent to the Alaska Department of Revenue, Treasury Division.

IV. Online Data Look-up of Participant Information for Plan Staff

The contractor must have available, for the use of the Plan Administrator, an online data lookup facility that has available full account information to Plan Administrator personnel. Data available online and interactive access for plan staff operations purposes should include information from 1996 for SBS-AP, from 1993 for DCP, and from July 1, 2006 for the PERS/TRS DCP Plan. Information should be available for the PERS/TRS DCR Plan, SBS-AP and DCP plans, for the life of the contract. In addition, it is the Plan Administrator's objective to have consolidated account balance information on all plans under this RFP available in a single interface for plan staff to use when responding to participants.

V. Electronic Data Transfer / Data Processing Considerations

The Plan Administrator conducts its business as related to the SBS-AP and DCP plans with a mixture of Micro/PC computers connected to a Local Area Network (LAN). Business related to the PERS/TRS DCP will be performed on an IBM AS400 using a DBII Database Platform. The contractor must submit data to and receive it from the Plan-Administrator in a form compatible with that environment specified. It is the contractor's responsibility to translate its data into a form usable by the Plan Administrator. The contractor must write its own translation programs on a timely basis.

Changes to transmitted data should be mutually agreed upon and are to be made on a timely basis. Data processing "reprogramming" should not be or be perceived as an impediment to the efficient and timely operation of the program.

Electronic Data Transfer:

Electronic data transfer will normally be by a secure FTP site. The use of the "INTERNET" is permitted however, the contractor is responsible to assure that all data is secure and remains confidential and that data security and integrity will not be violated.

Member Online Look-up Facility:

It is expected that the online look-up facility will be through the Internet, in a manner and form to enable members to conduct day-to-day business. In addition to the features shown by the web site pages in the Appendix, a single place to obtain a consolidated view of account balances for all accounts the member is enrolled in is desired. The look-up facility must be available at least 95% of the time during normal work hours of the Plan Administrator (7:30 am to 5:00p.m., Alaska Time). If the contractor's data processing facility is on the east coast of the United States, (four hours ahead of the Plan Administrator and the majority of the Plan Administrator's normal working hours. There is a one hour time difference from any west-coast facility that must be accommodated.

VI. Voice response Facility \ Telephone System Services

Participants should be able to conduct most transactions directly through a dial-in toll-free touch-tone service; i.e. through a 1-800 number and through an Internet site. The contractor must provide a PIN identification numbers for participants. Participants must have access to the computer assisted service 7 days a week, 24 hours a day (except for scheduled system maintenance times). The contractor must send confirmations of transactions made by phone.

The Offeror will provide a customer service center(s) with an adequate number of trained staff available to participants from 8:00 a.m. to 5:30 p.m. Alaska Time. The personnel answering the customer service lines must

be qualified to provide information on the investment offerings under the PERS/TRS DC Plan and to discuss investment concepts and retirement planning considerations. The Offeror will ensure that such information is provided in a manner consistent with requisite insurance and securities laws and that all personnel who provide such information properly licensed with all required regulatory agencies, if applicable. The customer service staff will be required to respond within 30 seconds. If unavailable at the time of the telephone call, the customer service representative must call back a member on the next business day. The toll-free number must be TDD/TTY capable. The customer service staff must provide the following information and services to the member from a touch-tone telephone:

- general plan overview information including how to reach the Plan Administrator's retirement counselors, how to reach the financial planning services and other topical information,
- current account balance, broken down by investment option and by plan (if applicable),
- current investment returns,
- current investment returns,
- current unit values or share prices,
- daily changes in share prices or unit values,
- inquiries about current investment elections and allocations of investment returns,
- changes to allocation of future contributions,
- transfers of existing assets between investment options,
- changes to Logon ID or PIN and password.,

All telephone calls must be recorded, and tapes of these calls maintained in a retrievable for and location for at least 90 days. The Offeror will provide participants initiating transactions via customer service representatives with a confirmation number followed by a written confirmation, which shall be mailed directly to the address on file for the member within three business days.

The Offeror will provide the Plan Administrator with monthly reports on service center activity including, but not limited to, total number of calls, purpose of calls wait time and abandoned calls.

VII. Web Site Operations and Layout

Attached, as an exhibit to this RFP is a representative copy of the screens that depict the operations of the web site used by SBS-AP and DCP participants to conduct business through the Internet. The exhibit displays the functionality that is expected of a vendor's system. The attached web screen packet displays these functions. These are test examples to illustrate the desired functionality depicted therein. It is expected the same functions will be provided to participants of the new PERS/TRS DC Plan. Any enhancements are encouraged and welcome to the baseline.

The Offeror's web site must be able to operate with ALL major Internet web browsers:

- Microsoft Internet Explorer V 6 and above
- Netscape V7 and above
- Mozilla 1.0 and above
- Opera 1.0 and above
- Firefox
- Galeon
- Safari
- Konqueror

Email Inquiry Service:

The Offeror will also maintain a customer service inbox for member inquires. Emails will be responded to within one business day.

VIII. Participant Education, Financial Planning Services and On-going Plan Communications- General

Participant Education:

It is the objective of the Plan Administrator to provide comprehensive benefit education to participants of the PERS/TRS DC core retirement plan throughout the State of Alaska. The State is comprised of a diverse population including participants who have varying levels of experience dealing with investments and retirement benefits that can include communication challenges. Cultural differences include a subsistence lifestyle in which retirement concepts and are not a part. A number of the Participants do not use English as their primary language and, for indigenous languages; there is no written form of the language. Benefit education materials must be produced using plain English with a seventh grade reading comprehension level and to be of interest to participants of all education levels. At a minimum but not limited to, Plan Administrator would expect deliverables in the following areas:

- Basic plan information
- Basic investment education materials, including seminars
- Retirement modeling software
- Video presentations fully explaining the investment options and be able to replace attendance at the investment education seminars for participants who are unable to attend.

The Offeror must develop presentations for group meetings in coordination with the Plan Administrators and ensure that meetings are held throughout the State in a manner that all participants may attend.

Presentations new to the Plan and refresher courses for those who have been participants in the plan for some time. The meetings must be held at different locations and times of the day, including evenings, to facilitate the attendance of spouses. Special attention should be paid to delivering presentations in the rural areas of Alaska where the access is primarily by small plane. A list of employers participating in the PERS/TRS DC Plan is found in the appendix.

The Offeror will provide plans to include basic investment education materials, seminars and retirement planning information to participants in the SBS-AP and DCP supplemental plans on a more limited basis.

The Offeror will provide an office(s) and staff located in Alaska to conduct individual meetings for participants at which detailed information regarding the participant and his/her account can be discussed.

The Offeror must have performance standards in place to measure the effectiveness of the education efforts.

Financial Planning/Advice:

Financial planning is an important component of a successful defined contribution plan. Consequently, the Plan Administrator's goal is to provide employees participating in the PERS/TRS DC Plan and SBS- AP with assistance in developing and establishing a personalized retirement investment portfolio. When applicable, planning for the investment portfolio should take into account other employer provided defined contribution plans additional to the PERS/TRS Defined Contribution Plan and SBS-AP Plans, such as employer provided defined contribution plans additional to the PERS/TRS Defined Contribution Plan and SBS-AP Plans, such as employer sponsored 403(b) plans or Social Security. Financial Planning/Advice services for participants of the DCP will be available on an elective basis. The Plan Administrator cannot give a guarantee of participant levels in this plan. Employees of the State of Alaska may be participants in all three plans administered by the Plan Administrator. Services in the form of financial advice and/or managed accounts must be available by telephone and through a staffed office located in Alaska.

Ongoing Plan Communications:

The contractor will assist the Plan Administrator in the production of plan information booklets, training materials for participants, newsletters, and information sheets for all plans under RFP. Education and training materials must include general investment information, risk return information, etc. The materials are to provide clear, concise, unbiased and profession information. The contractor will be used to assist the mailings to Plan participants whenever requested.

Implementation Services:

The contractor will be required to provide initial implantation services prior to commencement of recordkeeping services for all the defined contribution plans administered by the State of Alaska. The record keeper must provide any requested advice or counsel to the Plan Administrator relating to the services being contracted for during the period of the contract. The record keeper must have its recordkeeping system for the plans tested and functional no later than June 15, 2015.

Alaska Office:

The Plan Administrator believes the objectives regarding education, counseling, financial planning and financial advice can best be met with an office or offices staffed with professionals located in Alaska. Offeror's should include proposed locations, staffing levels and schedule and cost in their proposal.

IX. Conversion from Existing Record Keeper Considerations

The contractor under this RFP should be operationally ready to have converted prior information from the SBS-AP and DC Plans and be able to conduct transactions beginning July 1, 2015. The Offeror should provide an implementation schedule and any costs associated with the conversion process.

X. Future Transition

Should the record keeper under this RFP not retain the contract at expiration, the record keeper will

- Provide a thorough and flawless transition that minimizes the impact on Participants and their beneficiaries, and provides excellent education and counseling.
- Work with the State to develop a transition work plan and meet the deadlines of the plan to facilitate the transition.
- Provide accurate conversion of data.
- Have in place onsite staff to support the transition and implementation of any Recordkeeper or Plan change.

XI. Additional Information

Work schedule Day-to-Day Working Environment:

The contractor must have staff available who can conduct business with the Plan Administrator representative(s) in Juneau until 3:00 p.m. Alaska Time. Juneau, Alaska has the following time zone separations and is earlier by-Eastern – four hours, Central – three hours, Mountain – two hours, and Pacific – one hour. The State of Alaska has some operations that re conducted on a 24 hour a day basis, seven days per week. Indicate how the contractor would propose staffing for this type of operation.

Major Events After The Contract is Signed:

January 5, 2015 – Planning meeting for development of implementation timeline
March 15, 2015 – Draft benefit education plans and plans for financial planning services
April 12, 2015 – Begin conversion of records to contractor under this RFP and associated testing. Use December 31, 2014 balances as basis to start testing.
May 17, 2015 – Test of operational readiness for recordkeeping functions.
June 15, 2015 – Full operational readiness to conduct participant transaction, benefit education and financial planning.
July 1, 2015 – Final Cut-over to new record keeper
By necessity, the above work schedules must remain flexible. The above event time-lines are a guide, but are subject to change as conditions may require.

SECTION SIX PROPOSAL FORMAT, CONTENT AND EVALUATION CRITERIA

6.01 General Information

In order for the state to evaluate proposals fairly and completely, offerors must follow the format set out in this RFP and provide all information requested. The minimum required content for each section of the proposal is described below.

Proposals must include the complete name and address of offeror's firm and the name, mailing address, and telephone number of the person the state should contact regarding the proposal.

Proposals must confirm that the offeror will comply with all provisions in this RFP; and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. Also it must be signed by a company officer empowered to bind the company. An offeror's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

Proposals must contain the following sections the subsequent in order:

- Technical Proposal
- Proposal Checklist (Attachment A)
- Proposal Cover Sheet (Attachment B)
- Offeror's Certification (Attachment C)
- Conflict of Interest Statement (Attachment D)
- Preference Worksheet (Attachment E)
- Understanding of the Project
- Management Plan for the Project
- Experience and Qualifications
- Cost Proposal (Attachment F)
- Alaska Business License and Other Required License

Note: Technical Proposal and Cost Proposal must be in separated envelopes. No pricing information shall be included in the Technical Proposal. **Your proposal should not be stapled or hardbound to facilitate easy reproduction.**

6.02 Evaluation and Scoring Criteria

All proposals will be reviewed to determine if they are responsive and responsible. They will then be evaluated using the criteria within this section. An evaluation may not be based on discrimination due to the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the Offeror.

The total number of points used to score this proposal is 100, and will be broken down as shown in the following table:

Points	Percent	Evaluation Criteria	Scoring Method
50	50%	Technical Proposal	Scored by PEC
40	40%	Cost Proposal	Scored by Procurement Officer
10	10%	Alaska Offeror's Preference	Scored by Procurement Officer
100	100%	Total	

Offeror’s proposals will be reviewed and scored based on the evaluation process set below. The state will evaluate proposals using this calculation and scoring method in order to award points to each section of the Offerors’ Technical Proposal. After all sections have been evaluated and scored, the awarded points to the sections will be aggregated for a final score of the Technical Proposal. This process will help to identify the best value Offeror. The following steps describe the evaluation process.

Step 1. Offerors’ response to the each section will be rated comparatively against one another by the PEC members assigning a score of 1, 5, or 10 (1 low score, 5 average score, and 10 highest score).

Step 2. A raw average score will be developed by averaging the scores given by each PEC member for the section. This will be done by totaling the scores and dividing the total by the number of PEC members. Then, the highest scored offeror will receive the total maximum points available for that section.

$$\frac{\text{Offerors' Total Score}}{\text{Quantity of PEC Members}} = \text{Offerors' Raw Avg. Score}$$

Step 3. To award points to other offerors, their scores will be calculated by multiplying the raw score by the maximum number of points available divided by the highest score. The final result will be the total awarded points to the

$$\frac{\text{Offerors' Raw Avg. Score} \times \text{Max Points}}{\text{Highest Score}} = \text{Points Awarded}$$

The following table illustrates an **example** of a final scoring for all offerors as it relates to an evaluation of the Offerors’ Experience with a possible total of 60 point.

	PEC Member 1	PEC Member 2	PEC Member 3	Total Score	Raw Avg. Score	Awarded Points
Offeror 1	10	10	10	30	10	60
Offeror 2	10	10	5	25	8.3	49.8
Offeror 3	10	5	5	20	6.7	40.2

6.03 Technical Proposal (50 Points)

A maximum of **50%** of the total evaluation points will be assigned to this section. Offerors response must clearly indicate the following:

Understanding of the Work to be Performed (20 Points)

I. Recordkeeping

1. Describe in detail the method, approach, plan of operation, with actual examples, as to how you will accomplish the scope of recordkeeping work listed in section 5 of this RFP.
2. Include a complete description, with sample screens, etc. Of the member account and the trade facilities provided. This system must be in existence, and fully operational, as of the date of this RFP. If requested, you should be able to demonstrate the basic system that the Proposal Evaluation Committee can access from Juneau, Alaska, via the Internet.
3. Describe the flexibility the Plan has to request changes in screens to customize it to the PERS/TRS DC plans and indicate those areas where changes might be acceptable, Indicate if the Offeror allows for the use on non-social security number identifiers and if Offeror’s systems can accommodate a non-social security number identifier already used by the Plan Administrator.

4. Describe, in detail, the nature, structure, and detailed hardware and software technology your system uses for both internal processing and to conduct internet related business, i.e. operating system, application software, platforms, language(s). Indicate whether your system is company owned or outsourced.
5. Detail your firm's policies, procedures, data encryption, and technical measures to prevent unauthorized access or alteration, fraud, theft, misuse, or physical damage to hardware, software, communications networks and data. Describe your firm's system back-up, security and disaster recovery procedures. Indicate whether files are archived and stored at an off-site location, where they are stored, where you have tested your procedures and if so, when the last full-scale disaster recovery test was conducted.
6. Indicate the location of the central processing center where the majority of the actual work will take place. If the day-to-day account operations personnel, and or benefit service representatives are located elsewhere indicate their work location(s).

II. Reports

1. Confirm that the reports requesting in section 5 of this RFP can be provided. List any additional reports that are available that may provide additional information to the Plan Administrator. Include samples of various reports, such as the Employer/Plan Administrator Activity Report of participant activity, summary report by investment opinion activity, etc.
2. Indicate all the key reports that are furnished to the Plan Administrator as part of the recordkeeping fee and indicate contents, frequency and media.
3. Confirm that ad hoc reports will be available to the Plan Administrator and indicate the usual number of days to produce such reports.
4. Indicate how much historical information will be available to Plan Administrator staff of the internet. This information is needed by Plan staff to run reports and perform research.

III. Communications/Benefit Education

1. Describe in complete detail and on provided samples your approach, method, and plan you would use to educate and inform plan participants as to specific investment options, retirement planning and basic investment education and to provide on-going information brochures, newsletter, etc.
2. In order to provide expanded access for members to obtain education and financial advice, the plan requires use of dedicated provider personnel on the payroll of and trained by the provider of the service. Describe your ability to make such an arrangement work.
3. Describe your ability to assist the Plan Administrator in making general mailings to all of some plan participants on an ad hoc basis and the timing characteristics involved.
4. Indicate what products and services the Offeror has arrangements with that could be used to provide participant investment education. Explain in detail your plans for implementing each of the various education services outlined in the RFP.
5. The plan will require seminars to be conducted throughout the year for plan participants on various topics relevant to active investing and retirement and financial planning as they relate to the specific plans covered by this RFP. Seminars would be conducted throughout the State in central areas agreed upon by the Offeror and the Plan Administrator using a combination of provider and plan staff, Out of pocket and costs of using provider would be reimbursed by the plan. Describe your ability to make such an arrangement work.
6. The plan is interested in a seminar workbook that will be made available to all new PERS/TRS DC Plan participants. The workbook should be designed with the idea the participant could use it as an overall

reference for retirement planning, if the participant so desires. Provide samples of any similar publications you have developed.

7. Describe your ability to customize participant statements. What makes your participant statements different or unique in the marketplace? Are email statements available and are the statements posted on the web site? Please provide samples of consolidated statements and your current statements.
8. Describe how you ensure that members are receiving consistent and accurate information. How do you monitor this area?
9. Describe your plans to provide initial and ongoing educational requirements for non-vested members of the current defined benefit plans who are eligible to convert to the new PERS/TRS DC Plan. Indicate if you have provided similar services for other clients and provide sample educational materials.

IV. Web Site Operations/Voice Response System

1. Describe the website you would propose for the all plans under this RFP, including details about the features such as:
 - Education materials/tools
 - Retirement planning/investment information/tools
 - Financial planning/advice information/tools
 - Participant data
 - Communications method for participant questions
 - Security features
 - Report features
 - Current data available to participants/historical information
2. Describe the areas in which the web site may be customized to include specific information for each plan.
3. Describe the voice response system (VRS) your firm uses including details about type, function, features, dependability and flexibility regarding changes and where the VRS will be dedicated to plan participants under this RFP. Provide a telephone number and any required access codes to allow the evaluation committee to test your system.
4. Describe in detail what actions participants may initiate using VRS including the security features and Americans with Disabilities Act compliance features.

V. Benefit Service Representatives

1. Indicate the features of your benefit service representative call center including
 - If a toll-free telephone system is provided
 - Hours of call center operation
 - Staffing levels
 - Qualifications and experience of benefit service representatives
 - Security features
 - Americans with Disabilities Act compliance features
 - Monitoring member satisfaction program
2. Describe in detail the levels of service participants may receive from benefit service representatives including how much and what type of information representatives will be able to access and provide. Describe how investment advice questions are handled.
3. Indicate the performance standards required for benefit service representatives and call response on initial calls indicate if there is any call routing system used and how it operates.

4. Indicate if there is a voice mail service provided and the performance standards associated with returning voice mail messages. Indicate how long a participant must remain on the line before routed to voice mail.
5. Indicate your proposed staffing levels for the customer service functions and provide a description of the type, tenure and qualifications of the customer service personnel. Indicate how many participants a single service representative covers.
6. Indicate if participant calls are logged and tracked, the retention schedule for these logs and whether and how the Plan Administrator will have access to the logs.
7. Describe the information the benefit service representatives has access to while working with a participant on the phone, including recent transaction activity, and describe how extensive it is. Indicate if there is consolidated "at a glance" information or if the customer service representative must navigate several different screens.
8. Describe the security measures used to authorize transactions a participant makes over the phone.
9. Indicate how the requirements for the Americans With Disabilities Act are complied with and whether services, such as TDD services, are provided during all hours of telephone benefit representative availability.

VI. Financial Planning/Advice

1. Describe in detail the method, approach, plan of operations, with examples, as to how you would accomplish the scope of financial planning/advice work listed in Section 5 of this RFP. Indicate what modeling software you offer participants to do financial and investment planning. Provide a web site address and any necessary passwords for the Plan Administrator to review the financial planning software.
2. Indicate what products and services the Offeror has arrangements with that could be used to provide participants financial planning/advice. Indicate what investment performance information will be available via the web and voice response system.
3. Indicate if the representatives are paid on commission basis and, if so, indicate the type of commission arrangement.

Management Plan for the Project (10 Points)

Offerors must provide comprehensive narrative statements that set out the management plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet the state's project schedule. They must include plans for the location of an office(s) within Alaska and the staffing levels proposed.

If you are willing to provide the services exactly as requested, but believe there would be benefits (such as cost savings or improved service) to making minor adjustments to the services outlined in Section 5 of this RFP, describe the adjustment and the benefits

If you have any leading edge services available from your company that would not be available from other firms, please identify any plans for developing those services and the approximate or estimate of the cost to do so over the next two to three years.

Experience and Qualifications (20 Points)

1. Your response should clearly indicate how you meet the minimum qualifications outlined in Section 2.08 of the RFP.

2. Offerors response should identify the length of time and experience in providing service as described in Section Five of this RFP. Describe in detail your organization's experience with providing services to similar types of plans with similar configurations and whether the plans are core retirement plans or supplemental retirement plans. Particular emphasis will be placed on the following areas:
 - Governmental and private defined contribution plans in general;
 - Recordkeeping semi-bundled 401(a), 401(k), 403(b) and 457(b) plans.
3. The following factors will be looked to for both plan type experience and experience in the management of operations specifically and generally:
 - Comparable size plans;
 - Depth of experience (i.e., number of clients, number of years of experience with clients, etc.);
 - Similarity of structure and services provided;
 - Scope of services provided in relation to those set forth in Section 5 of the RFP
 - Experience providing services as a core defined contribution retirement plan.
4. Provide an overall summary (member size, type dollar asset value) of clients to whom you provide the types of services list in section 5 of this RFP
5. Specifically provide a list of your 10 largest public sector clients with details as to participant base, asset base, number of options, types of services proved, etc.
6. Provide a list of the five largest clients lost during the last 5 years

For each of these clients, indicate the member population and basic plan statistics. Indicate the length of the previous relationship and the circumstance of termination (competitive bid selection, etc.)
7. List any outstanding lawsuits that involve more that \$1 million in potential liability (estimated or speculative) related to recordkeeping services in the last three years; or specify "no outstanding lawsuits" if appropriate
8. Provide at least three client references with names and phone numbers of individuals to contact.
9. Provide the names, resumes and the experience and qualifications of executive key project personnel, project managers and the key work staff who conduct day-to-day operations who will be primarily responsible for the work performed. Provide names and phone numbers of three clients for have worked with these day-to-day operations persons.
10. Describe in detail the actual procedures in place within your organizations system of quality control to assure proper delivery of all services.
11. Provide copies of your last three years audited annual financial reports. Provide a copy of your latest SAS 70 type report.
12. Describe you organizations' unique strengths that are relevant to the requirements presented in Section 5 of this RFP.
13. Indicate the length of time you have been providing investment services.
14. Provide five references of current clients of similar plan demographics, one of whom should be a government plan. Include the client name, contact, address, phone number, services provided, years they became a client and the plan demographics.

6.04 Cost Proposal (40 Points)

1. Recordkeeping Fee criteria:

To be included as part of the recordkeeping fee:

- a) Internet and VRU-IVR systems that maintain account information and trading facilities that interconnect with plan web site. The plan will NOT pay for systems, programming, design, and related costs to convert to another Offeror's data processing system \ web operation, and it will not pay to add functionality to a vendor's system caused by conversion. This is considered an investment of the Offeror.
- b) Customer Service representative availability as required by this RFP
- c) Maintain individual member accounting by investment option
 - 1) Contributions\Balance by member and employer\ by investment fund option
 - 2) Transactions \ transfers by member by option – sends \ receives net gross amount to \ from fund manager. Fund Managers do not maintain individual member account records.
 - 3) Member account balance must be available to Member and Plan Administrator on Offerors web site and statements by actual balance and refundable balance. These amounts may be different for a member not yet vested. See section for vesting details.
- d) Data processing services related to the operation and maintenance of the web site, VRU, and related systems to maintain systems.
- e) Participant Education, Conversion Education (Section 5.01 IV), and Communication services. The supply and professional personnel to produce the plan information booklets, quarterly investment reports, investment option detail sheets, plan information packets, newsletters, envelopes, create audio \ visual material (.pdf documents, etc.).
- f) Basic legal review services necessary to maintain operational compliance with changing Federal and \ or state pension legislation changes.
- g) Charges for mailing plan materials. The Plan Administrator's objective is to encourage the use of electronic member statements in order to reduce mailing costs.
- h) Costs for establishing and maintaining an Alaska office.
- i) Costs to administer Unforeseeable Emergency withdrawals
- j) Costs to administer and qualify domestic relations orders

Not to be included in the recordkeeping fees and will be handled as a separate cost:

- a) The Alaska Retirement Management Board (ARMB) decides upon specific plan investments, in concurrence with the Commissioner of the Dept. of Administration and the Plan Administrator. The contract for services under this RFP is separate and apart from ARMB. The Offeror should not, and cannot, count on other collateral revenue sources to pay for services to be provided under this RFP.

The Plan will expect an accounting to assure that recordkeeping expenses \ losses of the record keeper providing services under this RFP are no recouped through investment manager \ custodian fees charged members on investment options.

- a) NOT responsible for monitoring of Fund Manager performance.
- b) Charges for printing cost of plan materials (Booklets, newsletters, stuffers, envelopes, etc.).
- c) Costs related to Offeror personnel that would be dedicated to specific programs related to participant financial planning/advice as outlined in Section 5.01 III.
- d) Specialized data processing costs related to a specific project that is not part of the basic maintenances of work required by the RFP. This will be decided upon a cast by case basis, by mutual agreement.
- e) Specialized legal review services related to a specific project that is not part of the basic work required by the RFP. This will be decided upon by a case by case basis, by mutual agreement.
- f) ***The plan will NOT pay for systems, programming, design, and related costs to convert to an Offeror's data processing system \ web operation, and it will not pay to add functionality to a vendor's system due to changes that are caused by implementation. This is considered an investment of the Offeror.***
- g) Financial Planning/Advice Fee criteria

The Plan Administrator’s objective is for participants to have the level of assistance they need in order to make informed investment decisions and to reach their retirement planning goals. Services desired range from education regarding financial planning principles, assistance with portfolio development to financial advice and managed accounts. It is the intent of the Plan Administrator to seek discounted rates for participants who are in more than one of the plans contained in this RFP during the negotiation phase of this contract.

2. The cost proposal should indicate, for each of the f initial plan term years listed, either:
 - a) An **annual asset rate** that would be applied to member balances (i.e. .0009 of 1% or 9/10000 of 1% -- 9 basis points) – for evaluation purposes a total amount of assets and members per year is indicated;

AND / OR

- b) A **fixed cost** for a plan year, irrespective of the member asset balances or the number of members.
3. PERS/TRS DC Plan: For the purposes of calculation of an asset-based fee, or as necessary for a fixed fee, the following asset base and number of members apply. Participants in the PERS/TRS DC are defaulted into an age-based target date fund. The Plan Administrator cannot guarantee any specific level of participation. For the evaluation purposes of this RFP, costs should be calculated assuming 100% participation in all plans.

<u>Period</u>	<u>Average Assets</u> <i>(Both PERS and TRS)</i>	<u>Member PERS</u> <i>(Accounts with a positive Balance at Year-end)</i>	<u>Member TRS</u>
7/1/15 - 6/30/2016	1,194,189,490	28,677	6,776
7/1/16 - 6/30/2017	1,552,446,337	31,545	7,454
7/1/17 - 6/30/2018	2,018,180, 238	34,699	8,199
7/1/18 - 6/30/2019	2,623,634,310	38,169	9,019

4. SBS-AP and DCP Plans: For the purposes of calculation of an asset-based fee, or as necessary for a fixed fee, the following asset base and number of members apply. There is no guarantee or implication that the asset base or accounts is a minimum expectation, and no adjustment will allowed in the fee base (i.e. move the basis point asset fee up or down, or raise or lower the fixed fee by a proportionate amount) should the total assets actually come in less, or the number of accounts exceed those listed below. Financial planning/advice services for the DCP will be totally elective on the part of the participants. The Plan administrator cannot guarantee any specific level of participation. For the evaluation purposes of this RFP, costs should be calculated assuming 100% participation in all plans.

<u>As of</u>	<u>Assets</u> <i>(Both SBS and DCP)</i>	<u>Member SBS-AP</u> <i>(Accounts with a Positive Balance)</i>	<u>Member DCP</u>
2014	4,097,587,000	42,900	10,500

5. Based upon the information 1., 2., 3., 4. and 5. above, indicate \ calculate the proposed fees for the periods indicated and complete the schedules on the Cost Proposal. The total annual fee for purposes of evaluation can be an asset-based fee, or a fixed fee, or a combination of both types (i.e. fixed annual amount + asset based fee).
6. The Plan Administrator seeks consistency in the fixed annual per participant fees across all plans if used.

6.05 Alaska Offeror Preference (10 Points)

If an offeror qualifies for the Alaska Bidder Preference, the offeror will receive an Alaska Offeror Preference. The preference will be **10%** of the total available points. This amount will be added to the overall evaluation score of each Alaskan offeror.

SECTION SEVEN ATTACHMENTS

Attachments

ATTACHMENT A: PROPOSAL CHECKLIST

ATTACHMENT B: COVER SHEET

ATTACHMENT C: OFFEROR'S CERTIFICATION

ATTACHMENT D: CONFLICT OF INTEREST STATEMENT

ATTACHMENT E: PREFERENCE

ATTACHMENT F: COST PROPOSAL

ATTACHMENT G: STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES

ATTACHMENT H: APPENDIX A

ATTACHMENT I: APPENDIX B2

ATTACHMENT J: NOTICE OF INTENT TO AWARD A CONTRACT

Note: Attachments G through J are for informational purposes and they're not to be included in either the Technical Proposal or Cost Proposal.

Attachment A – Proposal Checklist

The following documents are required for this proposal. Acknowledge you have submitted each document in the proper format by clearly marking in the space provided. Each required Attachment must be included in your proposal.

ATTACHMENTS	DOCUMENT TITLE	INCLUDED?
Attachment – A	Checklist	<input type="checkbox"/> YES
Attachment – B	Proposal Cover Sheet	<input type="checkbox"/> YES
Attachment – C	Offeror’s Certification	<input type="checkbox"/> YES
Attachment – D	Conflict of Interest Statement	<input type="checkbox"/> YES
Attachment – E	Preference Worksheet	<input type="checkbox"/> YES
Offeror’s Format	Technical Proposal	<input type="checkbox"/> YES
Attachment – F	Cost Proposal	<input type="checkbox"/> YES

Attachment B – Proposal Cover Sheet

This form shall be the cover page for the offeror's proposal. In the space provided, enter the requested offeror identification information. Use this form to indicate your acknowledgement of the response conditions. Proposals must be signed by a company officer empowered to bind the company.

OFFEROR INFORMATION

RFP NUMBER:	RFP 2015-0200-2779
RFP NAME:	RECORDKEEPING AND FINANCIAL PLANNING
OFFEROR'S NAME:	
MAILING ADDRESS:	
TELEPHONE NUMBER:	
FAX NUMBER:	
FEDERAL TAX ID #:	
ALASKA BUSINESS LICENSE NUMBER:	
CONTACT NAME:	
TITLE:	
E-MAIL ADDRESS:	
ALTERNATE PHONE #:	

PROPOSAL CERTIFICATION:

BY SIGNING THIS PAGE, THE OFFEROR HEREBY CERTIFIES THAT ALL INFORMATION PROVIDED IS TRUE AND SERVES TO BIND THE OFFEROR TO THE PROVISIONS OF THE RFP.

SIGNATURE

DATE

TITLE

Attachment C – Offeror’s Certification

Acknowledge the following statements, condition, and information by clearly marking the space provided. Failure to comply with these items may cause the proposal to be determined nonresponsive and the proposal may be rejected or the state may terminate the contract or consider the contractor in default.

Location-of-Work/Headquarter in TIER 3 Countries: The most recent United States Department of State’s Trafficking in Persons Report can be found at the following website: <http://www.state.gov/g/tip/>.

#	CONDITION/CERTIFICATION	RESPONSE
1	Offeror certifies that 100% of all services provided under the resulting contract by the offeror will be performed in the United States. (RFP 1.06)	<input type="checkbox"/> YES
2	Offeror certifies their business location is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State’s Trafficking in Persons Report. (RFP 1.07)	<input type="checkbox"/> YES
3	Offeror has reviewed the RFP for defects and objectionable material and has provided comments to the procurement officer. (RFP 1.09)	<input type="checkbox"/> YES
4	Offeror agrees to not restrict the rights of the state. (RFP 1.13)	<input type="checkbox"/> YES
5	Offeror acknowledges that this engagement with the state is subject to the Alaska Public Records Act, AS Title 40, Chapter 25 and that the state may be required to disclose certain information in response to requests for public information made under the Act. (RFP 1.15)	<input type="checkbox"/> YES
6	Offeror complies with the laws of the State of Alaska. (RFP 1.17)	<input type="checkbox"/> YES
7	Offeror complies with the applicable portion of the Federal Civil Rights Act of 1964. (RFP 1.17)	<input type="checkbox"/> YES
8	Offeror complies with the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government. (RFP 1.17)	<input type="checkbox"/> YES
9	Offeror complies with the American with Disabilities Act of 1990 and the regulations issued thereunder by the federal government. (RFP 1.17)	<input type="checkbox"/> YES
10	Offeror confirms that programs, services, and activities provided to the general public under the resulting contract conform to the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government. (RFP 1.17)	<input type="checkbox"/> YES
11	Offeror complies with all terms and conditions set out in this RFP. (RFP 1.17)	<input type="checkbox"/> YES
12	Offeror affirms that this response was independently arrived at, without collusion, under penalty of perjury. (RFP 1.17)	<input type="checkbox"/> YES
13	Offeror response and cost schedule will be valid and binding for 90 days following the response due date. (RFP 1.17)	<input type="checkbox"/> YES
14	Offeror certifies that offeror has a valid Alaska business license. (RFP 2.11)	<input type="checkbox"/> YES
15	Offeror agrees to the state’s Standard Agreement Form. If the answer is NO, per RFP 3.03, any objections to the agreements must be identified in a document attached to the offeror’s proposal.	<input type="checkbox"/> YES <input type="checkbox"/> NO
16	Offeror understands and agrees to comply with all statutes, regulations, and policies regarding nondisclosure and confidentiality. (RFP 3.17)	<input type="checkbox"/> YES

Attachment D – Conflict Of Interest Statement (MARK ONE)

By checking one of the boxes below, the offeror will indicate whether or not their organization or any individual working on the contract has possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years). If possible conflicts of interest exist then the offeror must disclose the nature and full details of the conflict. **Please refer to RFP 1.18 for guidelines.**

Failure to certify or disclose that the offeror’s business or any individual working in the contract has a possible conflict of interest may cause to be determined nonresponsive and the proposal may be rejected.

<input type="checkbox"/>	Offeror certifies that neither the business nor any individual working on the contract has a personal or financial relationship with anyone and/or any department of the State of Alaska.
<input type="checkbox"/>	Offeror and/or one or more individual working on the contract has a possible conflict of interest, and the nature of this conflict is described below:

Attachment E – Preference Questionnaire

In order to qualify and receive any of the State of Alaska preferences, the offeror must check “Yes” in claiming preference and answer “Yes” in questions 1 through 3. If you are a registered corporation (LP, LLP, or LLC) you must answer “Yes” to 4. **Please refer to RFP 2.12, 2.13, 2.14, and 2.16 for guidelines.**

Failure to check any of the boxes or answer “No” will determine the preference not applicable. Answering “No” to 4 because your business is not an LP, LLP, or LLC may not determine the preference not applicable.

PREFERENCE FORM	
<p>Are you claiming any State of Alaska Preference?</p> <p>Please check all the preferences that may apply:</p> <p> <input type="checkbox"/> Alaska Bidder <input type="checkbox"/> Alaska Product <input type="checkbox"/> Alaskans with Disabilities <input type="checkbox"/> Alaska Offeror <input type="checkbox"/> Recycle Product <input type="checkbox"/> Local Agriculture and Fisheries Products <input type="checkbox"/> Alaska Veteran <input type="checkbox"/> Employment Program </p>	<input type="checkbox"/> YES <input type="checkbox"/> NO

#	QUESTIONS	RESPONSE
1	Do you currently hold an Alaska business license?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2	Is the company name submitted on this proposal the same name that appears on the current Alaska Business License?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3	Has your company maintained a place of business within the State of Alaska staffed by the offeror or an employee of the offeror for a period of six months immediately preceding the date of the proposal?	<input type="checkbox"/> YES <input type="checkbox"/> NO
4	Is your company incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state?	<input type="checkbox"/> YES <input type="checkbox"/> NO

Attachment F – Cost Proposal Form

OFFEROR’S NAME: _____

Instructions: Offeror must use this form to provide the information in response to their cost proposal. This form must be submitted in a separate envelop and included with your proposal, per the requirements of RFP 1.01. Failure to do so will result in the proposal being deemed non-responsive and rejected.

Offeror must use the instructions provided in Section 6.04 of this RFP to indicate \ calculate the proposed fees for the periods indicated and complete the schedules below.

Note: The fees provided in this form will be used for RFP cost evaluation and in the awarded contract. The numbers provided in the table below represent estimates for evaluation purposes only and does not represent actual numbers covered under the PERS/TRS DC, SBS-AP Plans.

Cost Proposal Guidelines (see Section 6.04 for detailed instructions):

The cost proposal must indicate, for each of the initial plan term years listed, either:

- An annual asset rate that would be applied to member balances (i.e. .0009 of 1% or 9/10000 of 1% -- 9 basis points) – for evaluation purposes a total amount of assets and members per year indicated;

AND \ OR

- A fixed cost for a plan year; irrespective of the member asset balances or the number of members

RECORDKEEPING SERVICES OVER INITIALTERM (7/1/2015 – 6/30/2019)

PERS/TRS Defined Contribution Plan **< AND \ OR >**

Period	Asset Based Fee Rate	Estimated Ave. Asset Value	Asset Based Fee Annual Total	Fixed Fee Rate	Estimated Accounts	Fixed Fee Annual Total
7/1/15 – 6/30/16	_____ x	\$1,194,189,490	= \$ _____	_____ x	35,453	= \$ _____
7/1/16 – 6/30/17	_____ x	\$1,552,446,337	= \$ _____	_____ x	38,999	= \$ _____
7/1/17 – 6/30/18	_____ x	\$2,018,180,238	= \$ _____	_____ x	42,898	= \$ _____
7/1/18 – 6/30/19	_____ x	\$2,623,634,310	= \$ _____	_____ x	47,188	= \$ _____
(a) TOTAL \$				(b) TOTAL \$		

Supplemental Annuity Plan **< AND \ OR >**

Period	Asset Based Fee Rate	Estimated Ave. Asset Value	Asset Based Fee Annual Total	Fixed Fee Rate	Estimated Accounts	Fixed Fee Annual Total
7/1/15 – 6/30/16	_____ x	\$4,007,641,000	= \$ _____	_____ x	45,513	= \$ _____
7/1/16 – 6/30/17	_____ x	\$4,408,405,100	= \$ _____	_____ x	46,878	= \$ _____
7/1/17 – 6/30/18	_____ x	\$4,849,245,610	= \$ _____	_____ x	48,284	= \$ _____
7/1/18 – 6/30/19	_____ x	\$5,334,170,171	= \$ _____	_____ x	49,733	= \$ _____
(c) TOTAL \$				(d) TOTAL \$		

Deferred Compensation Plan

< **AND \ OR** >

Period	Asset Based Fee Rate	Estimated Ave. Asset Value	Asset Based Fee Annual Total	Fixed Fee Rate	Estimated Accounts	Fixed Fee Annual Total
7/1/15 – 6/30/16	_____x	\$950,439,270	= \$_____	_____x	11,139	\$_____ =
7/1/16 – 6/30/17	_____x	\$1,045,483,197	= \$_____	_____x	11,474	\$_____ =
7/1/17 – 6/30/18	_____x	\$1,150,031,517	= \$_____	_____x	11,818	\$_____ =
7/1/18 – 6/30/19	_____x	\$1,265,034,668	= \$_____	_____x	12,172	\$_____ =
(e) TOTAL			\$	(f) TOTAL		\$

Grand Total for Recordkeeping Services (a + b + c + d + e + f): \$_____ *A

**FINANCIAL PLANNING/ADVICE SERVICES OVER
INITIAL TERM (7/1/2015 – 6/30/2019)**

PERS/TRS Defined Contribution Plan

< **AND \ OR** >

Period	Asset Based Fee Rate	Estimated Ave. Asset Value if 100% Participation	Asset Based Fee Annual Total	Fixed Fee Rate	Estimated Accounts If 100% Participation	Fixed Fee Annual Total
7/1/15 – 6/30/16	_____x	\$1,194,189,490	= \$_____	_____x	35,453	= \$_____
7/1/16 – 6/30/17	_____x	\$1,552,446,337	= \$_____	_____x	38,999	= \$_____
7/1/17 – 6/30/18	_____x	\$2,018,180,238	= \$_____	_____x	42,898	= \$_____
7/1/18 – 6/30/19	_____x	\$2,623,634,310	= \$_____	_____x	47,188	= \$_____
(g) TOTAL			\$	(h) TOTAL		\$

Supplemental Annuity Plan

< **AND \ OR** >

Period	Asset Based Fee Rate	Estimated Ave. Asset Value if 100% Participation	Asset Based Fee Annual Total	Fixed Fee Rate	Estimated Accounts If 100% Participation	Fixed Fee Annual Total
7/1/15 – 6/30/16	_____ x	\$4,007,641,000	= \$_____	_____ x	45,513	= \$_____
7/1/16 – 6/30/17	_____ x	\$4,408,405,100	= \$_____	_____ x	46,878	= \$_____
7/1/17 – 6/30/18	_____ x	\$4,849,245,610	= \$_____	_____ x	48,284	= \$_____
7/1/18 – 6/30/19	_____ x	\$5,334,170,171	= \$_____	_____ x	49,733	= \$_____
(i) TOTAL \$				(j) TOTAL \$		

Deferred Compensation Plan (Opt out)

< **AND \ OR** >

Period	Asset Based Fee Rate	Estimated Ave. Asset Value if 100% Participation	Asset Based Fee Annual Total	Fixed Fee Rate	Estimated Accounts If 100% Participation	Fixed Fee Annual Total
7/1/15 – 6/30/16	_____ x	\$950,439,270	= \$_____	_____ x	11,139	= \$_____
7/1/16 – 6/30/17	_____ x	\$1,045,483,197	= \$_____	_____ x	11,474	= \$_____
7/1/17 – 6/30/18	_____ x	\$1,150,031,517	= \$_____	_____ x	11,818	= \$_____
7/1/18 – 6/30/19	_____ x	\$1,265,034,668	= \$_____	_____ x	12,172	= \$_____
(i) TOTAL \$				(j) TOTAL \$		

Grand Total for Financial Planning/Investment Advice (g + h + i + j + k + l): \$ _____ *B

AGGREGATE GRAND TOTAL COSTS FOR INITIAL TERM (A+B) \$ _____

Attachment G – Notice of Intent to Award



Department of Administration
 Division of General Services
 Seventh Floor - State Office Bldg.
 333 Willoughby Street
 P.O. Box 110210
 Juneau, Alaska 99811-0210

THIS IS NOT AN ORDER

DATE ISSUED:

RFP NO.:

RFP DEADLINE:

RFP SUBJECT:

CONTRACTING OFFICER:

SIGNATURE: _____

This is notice of the state's intent to award a contract. The figures shown here are a tabulation of the offers received. The responsible and responsive offeror whose proposal was determined in writing to be the most advantageous is indicated. An offeror who wishes to protest this Notice of Intent must file the protest within ten calendar days following the date this notice is issued. If the tenth day falls on a weekend or holiday, the last day of the protest period is the first working day following the tenth day. **The offeror identified here as submitting the most advantageous proposal is instructed not to proceed until a contract, or other form of notice is given by the contracting officer.** A company or person who proceeds prior to receiving a contract, Contract Award, or other form of notice of Award does so without a contract and at their own risk. AS 36.30.365.

Offerors	Responsive	Total Score	Most Advantageous

LEGEND: @ -- MOST ADVANTAGEOUS
 Y -- RESPONSIVE PROPOSAL
 N -- NON-RESPONSIVE PROPOSAL

SUMMARY

Attachment H – Standard Agreement Form

The parties' contract comprises this Standard Agreement Form, as well as its referenced Articles and their associated Appendices

	2. DGS Solicitation Number	3. Financial Coding	4. Agency Assigned Encumbrance Number
5. Vendor Number	6. Project/Case Number	7. Alaska Business License Number	
This contract is between the State of Alaska,			
8. Department of	Division	hereafter the State, and	
9. Contractor		hereafter the Contractor	
Mailing Address	Street or P.O. Box	City	State ZIP+4
<p>10. ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it.</p> <p>ARTICLE 2. Performance of Service:</p> <p>2.1 Appendix A (General Provisions), Articles 1 through 14, governs the performance of services under this contract.</p> <p>2.2 Appendix B sets forth the liability and insurance provisions of this contract.</p> <p>2.3 Appendix C sets forth the services to be performed by the contractor.</p> <p>ARTICLE 3. Period of Performance: The period of performance for this contract begins _____, and ends _____.</p> <p>ARTICLE 4. Considerations:</p> <p>4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed \$_____ in accordance with the provisions of Appendix D.</p> <p>4.2 When billing the State, the contractor shall refer to the Authority Number or the Agency Contract Number and send the billing to:</p>			
11. Department of		Attention: Division of	
Mailing Address		Attention:	
12. CONTRACTOR		<p>14. CERTIFICATION: I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alternations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.</p>	
Name of Firm			
Signature of Authorized Representative	Date		
Typed or Printed Name of Authorized Representative			
Title			
13. CONTRACTING AGENCY		Signature of Head of Contracting Agency or Designee	Date
Department/Division	Date		
Signature of Project Director		Typed or Printed Name	
Typed or Printed Name of Project Director		Title	
Title			

NOTICE: This contract has no effect until signed by the head of contracting agency or designee.

Attachment I – Appendix A (General Provisions)

Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspections and Reports.

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Article 3. Disputes.

- 3.1 If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.

Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract,

and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.

4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.

4.7 Failure to perform under this article constitutes a material breach of contract.

Article 5. Termination.

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. In the absence of a breach of contract by the contractor, the State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

Article 6. No Assignment or Delegation.

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

Article 9. Payment of Taxes.

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

Article 10. Ownership of Documents.

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire, and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. Nevertheless, if the contractor does mark such documents with a statement suggesting they are trademarked, copyrighted, or otherwise protected against the State's unencumbered use or distribution, the contractor agrees that this paragraph supersedes any such statement and renders it void. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

Article 11. Governing Law; Forum Selection

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it seeks to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

Article 13. Officials Not to Benefit.

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or contingent fee.

Article 15. Compliance.

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

Article 16. Force Majeure:

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

Attachment J – Appendix B2 (Indemnity and Insurance)

Article 1. Indemnification

The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. “Contractor” and “Contracting agency”, as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term “independent negligence” is negligence other than in the Contracting agency’s selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor’s work.

Article 2. Insurance

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

2.1 Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

2.2 Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

2.4 Professional Liability Insurance: covering all errors, omissions or negligent acts in the performance of professional services under this agreement. Limits required per the following schedule:

Contract Amount	Minimum Required Limits
Under \$100,000	\$300,000 per Claim / Annual Aggregate
\$100,000-\$499,999	\$500,000 per Claim / Annual Aggregate
\$500,000-\$999,999	\$1,000,000 per Claim / Annual Aggregate
\$1,000,000 or over	Refer to Risk Management