

# Trust

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## Alaska Mental Health Trust Authority

### REQUEST FOR PROPOSALS

#### ASSET ALLOCATION, MANAGEMENT, AND SPENDING STUDY

#### RFP 25-002M

ISSUED MAY 17, 2024

PROVIDE A DETAILED REVIEW OF THE TRUST'S ASSET ALLOCATION,  
MANAGEMENT AND SPENDING PRACTICES AND POLICIES.

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ISSUED BY:

DEPARTMENT OF REVENUE  
ALASKA MENTAL HEALTH TRUST AUTHORITY

PRIMARY CONTACT:

VALETTE KELLER  
PROCUREMENT OFFICER  
VALETTE.KELLER@ALASKA.GOV  
907.269.6039

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**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 NOTIFICATION OF SUBSEQUENT AMENDMENTS. FAILURE TO CONTACT THE PROCUREMENT OFFICER MAY RESULT IN THE REJECTION OF YOUR OFFER.

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## SECTION 1. INTRODUCTION & INSTRUCTIONS

### SEC. 1.01 PURPOSE OF THE RFP

The Alaska Mental Health Trust Authority (the Trust), is soliciting proposals for a firm to perform a strategic review of asset investment policies. This review will include recommending an updated asset allocation plan for all Trust assets for which trustees have discretion, performing a detailed review of and making recommendations for the Asset Management Policy (AMPS), reviewing the appropriateness of the Trust's spending rate, reviewing historical investment performance and standard deviation of invested assets (including

commercial real estate and other direct investments in land), reviewing Reserve policies and inflation-proofing calculations, and develop other recommendations to support trustees as they carry out their fiduciary duties.

## **SEC. 1.02 BUDGET**

The Trust estimates a budget of between \$100,000 and \$150,000 dollars for completion of this project. Proposals priced at more than \$150,000 will be considered non-responsive.

Payment for the contract is subject to funds already appropriated and identified.

## **SEC. 1.03 DEADLINE FOR RECEIPT OF PROPOSALS**

Proposals must be received no later than 1:30 P.M. prevailing Alaska Time on June 11, 2024. Late proposals or amendments will be disqualified and not opened or accepted for evaluation.

## **SEC. 1.04 PRIOR EXPERIENCE**

In order for offers to be considered responsive offerors must meet these minimum prior experience requirements:

- SEC registered Investment Adviser Firm providing investment consulting services to institutional clients.
- Demonstrated expertise in asset allocation for institutional clients holding both real and financial assets.
- Demonstration of successful completion of at least three (3) asset allocation and spending studies for trust, endowment, sovereign wealth and/or pension funds with more than \$500 million of assets completed within the prior 36 months.

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

## **SEC. 1.05 REQUIRED REVIEW**

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and questionable or objectionable material should 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 proposal and exposure of offeror's proposals upon which award could not be made.

## **SEC. 1.06 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS**

All questions must be in writing and directed 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.

## **SEC. 1.07 RETURN INSTRUCTIONS**

Offerors must submit one copy of their proposal through one of the following methods. The Trust recommends sending a proposal enough ahead of time to ensure the proposal is delivered by the deadline for receipt of proposals. Faxed or oral proposals will not be accepted.

It is the offeror's responsibility to contact the issuing agency at 907-269-7960 to confirm that the proposal has been received. The Trust is not responsible for unreadable, corrupt, or missing attachments.

Method 1: Submission by mail or courier

The proposal must be submitted as a hard copy 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 package must include a USB thumb drive with a digital copy of their proposal in PDF format. The digital cost proposal included with the package must be a separate document from the rest of the proposal and must be clearly identified.

The sealed proposal package(s) must be addressed as follows:

Alaska Mental Health Trust Authority  
Attention: Valette Keller  
RFP 25-002M Asset Allocation, Management, and Spending Study  
3745 Community Park Loop Suite 200  
Anchorage, AK 99508

Method 2: Submission by email

The proposal must be submitted as a digital copy in PDF format to [deborah.delong@alaska.gov](mailto:deborah.delong@alaska.gov). The email must contain the RFP number in the subject line. The technical proposal and cost proposal must be saved as separate PDF documents and emailed as separate, clearly labeled attachments, such as "Vendor A – Technical Proposal.pdf" and "Vendor A – Cost Proposal.pdf". You must not email (including CC and BCC) the proposal to any State employee or email address other than instructed above.

Please note that email transmission is not instantaneous, and the maximum size of a single email (including all text and attachments) that can be received by the Trust is 20mb (megabytes).

Method 3: Submission by Alaska ZendTo

Offerors must submit one digital copy of their proposal in PDF format to [deborah.delong@alaska.gov](mailto:deborah.delong@alaska.gov) via Alaska ZendTo, <https://drop.state.ak.us>. The cost proposal included with the package must be a separate document from the rest of the proposal and must be clearly identified. The technical proposal and cost proposal must be submitted as separate, clearly labeled PDF documents. Offerors must include the RFP number and title in the ZendTo note. You must not include any State employee or email address in the ZendTo form other than instructed above.

It is the offeror's responsibility to contact the issuing agency at 907-269-7960 to confirm that the proposal has been received. The Trust is not responsible for unreadable, corrupt, or missing attachments.

## **SEC. 1.08 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.

## SEC. 1.09 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 Trust's request in accordance with 2 AAC 12.290.

## SEC. 1.10 AMENDMENTS TO THE RFP

If an amendment is issued before the deadline for receipt of proposals, it will be provided to all who were notified 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 website.

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.

## SEC. 1.11 RFP SCHEDULE

The RFP schedule set out herein represents the Trust'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 may be shifted accordingly. All times are Alaska Time.

ACTIVITY	TIME	DATE
Issue Date / RFP Released		5/17/24
Pre-Proposal Conference	1:00 P.M.	5/28/24
Deadline for Receipt of Proposals / Proposal Due Date	1:30 P.M.	6/11/24
Proposal Evaluations Complete		6/14/24
Notice of Intent to Award		6/14/24
Contract Issued		6/25/24

This RFP does not, by itself, obligate the Trust. The Trust's obligation will commence when the contract is approved by the Trust. Upon written notice to the contractor, the Trust may set a different starting date for the contract. The Trust 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 Trust.

## SEC. 1.12 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held at 1:00 P.M., Alaska Time, on May 28, 2024, virtually via Microsoft Teams. 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 transcribed and sent to prospective offerors as soon as possible after the meeting.

Offerors needing accommodation should contact the procurement officer prior to the date set for the pre-proposal conference so that reasonable accommodation can be made. Participants may dial into the meeting using the following number:

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_MDM5OGE0ODUtMzE3OC00NmQzLWI0ZjktZTE2MTk0NTA5MjNk%40thread.v2/0?context=](https://teams.microsoft.com/l/meetup-join/19%3ameeting_MDM5OGE0ODUtMzE3OC00NmQzLWI0ZjktZTE2MTk0NTA5MjNk%40thread.v2/0?context=)

[%7b%22id%22%3a%220030bf6-7ad9-42f7-9273-59ea83cfa38%22%2c%22oid%22%3a%22d5dd1988-1804-435e-9d7a-e33667eefdd2%22%7d](#)

Meeting ID: 236 437 738 719

Passcode: vh2kTR

Dial in by phone: 907-202-7104

Phone conference ID: 812 554 808#

## SEC. 1.13 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.

## SEC. 1.14 NEWS RELEASES

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

# SECTION 2. BACKGROUND INFORMATION

## SEC. 2.01 BACKGROUND INFORMATION

The Trust was created by Congress before statehood. The state breached its trust duty by mismanaging the land. The settlement of the resulting Mental Health Lands Trust lawsuit in 1994 created a Trust Authority consisting of seven Trustees. The Trust was reconstituted with \$200 million and nearly 1,000,000 acres of land. The Trust Authority contracts with the Alaska Permanent Fund Corporation to manage the \$200 million and the Trust Land Office in the Department of Natural Resources to manage the land. The beneficiaries include Alaskans who experience:

- mental illness;
- development disabilities;
- chronic alcoholism;
- Alzheimer’s disease or related dementia;
- Brain injury.

The Trustees are charged with overseeing the management of Trust assets as well as spending trust income to improve the lives of beneficiaries.

In 2010, Trustees accepted spending and reserve recommendations from an independent investment advisor. In 2016 and 2022, a spending study was also conducted by an independent investment advisor, and no changes were made to Trust policy.

It is the objective of the Trust Authority to have this review completed by March 2025, and that approved recommendations developed as a part of the review be incorporated in the Trust’s Asset Management Policy Statement.

## ASSETS

As of the fiscal year ending March 31, 2024, the Trust assets were approximately \$897 million, of which:

- \$722 million is current fair value of invested assets managed by the Alaska Permanent Fund Corporation, which includes \$64 million in earnings reserves
- \$53 million is earnings reserves managed by the State of Alaska Department of Revenue
- \$61 million in directly held commercial real estate investments
- \$45 million in short-term cash holdings
- one million acres of land within the state of Alaska, with a book value of \$1 per acre.

### ASSET MANAGEMENT

Under statute, the Trust contracts with two distinct parts of Alaska State government for the management of its assets attributed to principal:

- Alaska Permanent Fund Corporation (APFC) manages the Trust Fund—the cash principal—alongside its Alaska Permanent Fund; and
- Trust Land Office (TLO), within the Department of Natural Resources (DNR), manages the Trust land assets consisting of approximately one million acres of land.

The corpus and unrealized earnings attributable to the corpus of the Trust Fund may not be expended. Other assets and income are considered spendable. These assets are managed by the APFC, the State of Alaska's Department of Revenue Treasury Division (Treasury), and the TLO.

Land assets are managed for current and long-term beneficiary support. Current policy designates resource revenue (royalties from coal, oil, gas, minerals & materials, and 85% of timber revenue) and proceeds from land sales and permanent easements to be transferred to the APFC-managed principal balance. Other revenues, such as 15% of timber revenue, rents, interest and bonus bids, are "spendable" income.

### SPENDING POLICY

Trustees have broad discretion and authority over the use of Trust reserves and follow the [Trust's Asset Management Policy Statement \(AMPS\)](#), adopted August 2023, which articulates policies on reserve use. [Changes to the AMPS were proposed in April 2024](#) and will be considered for approval by trustees at the May 2024 full board meeting.

Annual spending is for programs that improve the lives of Trust beneficiaries. Trust policy, codified in the Trust's AMPS, provides for four sources of revenue. The primary source is the POMV payout, calculated as 4.25% of the four-year average net asset value (NAV) of the principal managed by APFC and budget reserves managed by APFC and Treasury as of June 30 for the four preceding fiscal years. This spending rate has been set based on a 5% real rate of return over a full market cycle.

Other annual revenue that the Trust utilizes for program funding consists of spendable income generated by TLO's revenue-generating activities, interest earned on cash holdings, and funds unexpended from prior funding authorizations.

### RESERVE POLICY

The Trust has a reserve policy outlined in its AMPS that targets a reserve balance of four times its current fiscal year POMV payout. Once the 400% reserve threshold is met, current policy allows Trustees to authorize inflation proofing transfers from reserve accounts to principal. The Trust bases this 400% target balance on spendable reserves less reserves that are committed, such as the current year payout and trustee-approved investments



using reserves. The Trust targets an equal holding of reserves between APFC and Treasury, at 200% each, yet prioritizing the Treasury balance when under the 4X target.

#### INFLATION PROOFING

Alaska statute states that spendable income may be used to offset the effects of inflation on the value of the principal of the Trust Fund. Trust policy on inflation proofing has been modified several times since Trust inception, ranging from mandating the transfer of funds that exceed the 400% reserve target, to allowing trustee discretion. It has also alternated from permanent transfer, to earmarking funds within reserves, back to permanent transfer. Purchasing parity uses APFC's policy: a year-over-year average monthly change in the CPI-U at calendar year-end, applied to the fiscal year-end balance six months later.

## SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION

### SEC. 3.01 SCOPE OF WORK

The successful offeror shall perform a strategic review of asset investment and management policies. This review will include recommending an updated asset allocation plan for all Trust assets for which trustees have discretion, performing a detailed review of and making recommendations for the Asset Management Policy Statement (AMPS), reviewing the appropriateness of the Trust's spending rate, reviewing historical investment performance and standard deviation of invested assets (including commercial real estate and other direct investments in land), reviewing Reserve policies and inflation-proofing calculations, Earnings Reserve Account (ERA) limitations, and develop other recommendations to support trustees as they carry out their fiduciary duties.

The successful offeror shall provide analysis, evaluations, and recommendations including:

- Asset allocation and rebalancing of all assets
- Historical investment performance and standard deviation of invested assets
- Investment guidelines and monitoring criteria for internal and external managers
- Budget reserve sufficiency
- Spending rate
- Purchasing power protection of cash principal
- Asset Management Policy Statement (AMPS)
- Analysis of the Trust's ERA balance as accounted for by the Alaska Permanent Fund Corporation, including the risk of depletion

The successful offeror shall:

1. Perform an initial review of how Trust assets are invested and structured, and provide a comprehensive assessment of the existing investment portfolio and asset allocation in the context of the Trust's statutory, regulatory and governance structure.
2. Report on their assessment of the current status, recommendations for action, and a prioritization of recommendations.

This will include an understanding of all Trust assets, how Trust assets are managed, areas where Trustees can control asset allocation and management, the Trust's statutory and regulatory governing policies; and how funding is calculated and allocated for programmatic or other purposes. The successful offeror's assessment

shall include delineating the relevant risks and rewards for carrying out recommended actions, particularly in the context of the Trust's mission. Reports will include both technical explanations and explanations understandable by those without investment expertise.

After the report is finalized and presented, the successful offeror shall be available for up to 50 hours of consultation for updated review and analysis of specific areas of the Final Report, or other investment consultant expertise as needed through June 30, 2027.

All work will be done with the following assumptions:

- The board of trustees cannot modify the asset allocation of investments managed by the Alaska Permanent Fund Corporation (APFC), nor can it withdraw principal funds for investment elsewhere.
- The board of trustees may modify the asset allocation of investments managed by the State of Alaska, Department of Revenue, Division of Treasury.
- The board of trustees may modify the commercial real estate holdings and other land development projects managed by the Trust Land Office.
- The board of trustees may adjust the relative level of reserves managed by APFC and Treasury.
- Budget reserves (non-principal) may be invested with other investment managers not currently under contract.
- The Trust's applicable state statutes may not change.

## SEC. 3.02 CONTRACT TERM AND WORK SCHEDULE

The length of the contract will be from the date of award, approximately July 1, 2024, for approximately three years, until approximately June 30, 2027.

The approximate contract schedule is as follows:

- Contractor submits draft report by December 1, 2024
- Contractor submits final report by January 31, 2025.
- Contractor presents final report to board of trustees by May 31, 2025
- Contractor is available for up to 50 hours of consulting through June 30, 2027

Unless otherwise provided in this RFP, the Trust and the successful offeror/contractor agree: (1) that any extension 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) the procurement officer will provide notice to the contractor of the intent to cancel such month-to-month extension at least 30 days before the desired date of cancellation. A month-to-month extension may only be executed by the procurement officer via a written contract amendment.

## SEC. 3.03 DELIVERABLES

The contractor will be required to provide the following deliverables:

- Final Report including analysis performed with conclusions and recommendations.
- A red line of suggested changes to the Asset Management Policy Statement.
- Presentation of draft report to senior staff and Chair of the Trust's Finance Committee
- Final report presented to the Alaska Mental Health Board of Trustees or its Finance Committee by May 31, 2025

The contractor will provide status updates telephonically to designated Trust staff on a bi-weekly basis until the following deliverables are accepted:

- Draft written report to the Trust on or before December 1, 2024, which shall include:
  - Plan recommending investment objectives and general asset class targets, and, where appropriate, sub-asset class targets by investment managers
  - Assessment of sustainability of Trust's reserves and 4.25% POMV payout methodology and, if applicable, alternative recommended reserve targets and POMV payouts
  - Recommended policy framework for rebalancing
  - Recommended updates for reserve policies if applicable
  - Recommendations on inflation proofing of principal policy, and a review of inflation proofing calculations
  - Where changes are recommended, a comparison of existing and proposed long-term performance, risk, and liquidity characteristics, and probability assessment
- Final recommendations and report incorporating (to the degree appropriate) any questions/comments received due January 31, 2025.
- Make key personnel available for:
  - In-person or virtual review of draft report with Trust staff and trustee(s).
  - A presentation to trustees and Trust staff during a scheduled meeting in Anchorage, Alaska [tentatively scheduled for April 23, 2025]. This presentation will be in-person if the trustee meeting is in-person, and via the Trust's meeting platform if the Trustee meeting is not in-person.
  - If requested by the Trust, facilitate an in-depth work session for trustees and staff where it is conducive for the attendees to ask detailed questions regarding the contractor's recommendations and explore the risk versus potential reward of various asset allocation scenarios or other recommendations included in the report. This work session will be in-person if the trustees are meeting in-person, and via the Trust's meeting platform if the trustee meeting is not in-person.

#### **SEC. 3.04 CONTRACT TYPE**

This contract is a time & materials contract.

#### **SEC. 3.05 PROPOSED PAYMENT PROCEDURES**

The Trust 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.

#### **SEC. 3.06 PROMPT PAYMENT FOR TRUST PURCHASES**

The Trust is eligible to receive a 5% discount for all invoices paid within 15 business days from the date of receipt of the commodities or services and/or a correct invoice, whichever is later. The discount shall be taken on the full invoice amount. The Trust shall consider payment being made as either the date a printed warrant is issued or the date an electronic funds transfer (EFT) is initiated.

### **SEC. 3.07 CONTRACT PAYMENT**

No payment will be made until the contract is approved by the Trust. Under no conditions will the Trust be liable for the payment of any interest charges associated with the cost of the contract. The Trust 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.

Any single contract payment of \$1 million or higher must be accepted by the contractor via Electronic Funds Transfer (EFT).

### **SEC. 3.08 LOCATION OF WORK**

The location(s) the work is to be performed, completed and managed their own location and workspace. The Trust will not provide workspace for the contractor. The contractor must provide its own workspace.

The contractor should include in their price proposal: transportation, lodging, and per diem costs sufficient to pay for 1-2 team members to make 1 trip to Anchorage in spring of 2025 to present to trustees. Travel to other locations will not be required.

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 Trust to reject the proposal as non-responsive or cancel the contract.

### **SEC. 3.09 SUBCONTRACTORS**

Subcontractors will not be allowed.

### **SEC. 3.10 JOINT VENTURES**

Joint ventures will not be allowed.

### **SEC. 3.11 RIGHT TO INSPECT PLACE OF BUSINESS**

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

### **SEC. 3.12 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 or procurement officer. Changes that are not approved by the Trust may be grounds for the Trust to terminate the contract.

### **SEC. 3.13 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 Trust may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. The project director or procurement officer 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 Trust to terminate the contract. In this event, the Trust may require the contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

### **SEC. 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 procurement officer has secured any required Trust approvals necessary for the amendment and issued a written contract amendment, approved by the Trust.

### **SEC. 3.15 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 Trust 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 Trust 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 Trust 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 Trust with written notice of the requested disclosure (to the extent such notice to the Trust is permitted by applicable law) and giving the Trust opportunity to review the request. If the contractor receives no objection from the Trust, 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 Trust within a reasonable time after the contractor's receipt of notice of the requested disclosure and, upon request of the Trust, 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.

### SEC. 3.16 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.

### SEC. 3.17 INSURANCE REQUIREMENTS

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 Trust shall be entitled to coverage to the extent of such higher limits.

Certificates of Insurance must be furnished to the procurement 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.

**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.

**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.

**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.

### SEC. 3.18 TERMINATION FOR DEFAULT

If the project director or procurement officer 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 Trust 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 Trust's termination rights under the contract provisions of Appendix A, attached in **SECTION 7. ATTACHMENTS**.

## SECTION 4. PROPOSAL FORMAT AND CONTENT

### SEC. 4.01 RFP SUBMITTAL FORMS

This RFP contains Submittal Forms, which must be completed by the offeror and submitted as their proposal. Electronic copies of the forms are posted along with this RFP. Offerors shall not re-create these forms, create their own forms, or edit the format structure of the forms unless permitted to do so.

Unless otherwise specified in this RFP, the Submittal Forms shall be the offeror's entire proposal. Do not include any marketing information in the proposal.

**Any proposal that does not follow these requirements may be deemed non-responsive and rejected.**

### SEC. 4.02 SPECIAL FORMATTING REQUIREMENTS

The offeror must ensure that their proposal meets all special formatting requirements identified in this section.

**Documents and Text:** All attachment documents must be written in the English language, be single sided, and be single spaced with a minimum font size of 10. Pictures or graphics may be used if the offeror feels it is necessary to communicate their information, however, be aware of the page limit requirements.

**Page Limits:** Some Submittal Forms listed below have maximum page limit requirements. Offerors must not exceed the maximum page limits. Note, the page limit applies to the front side of a page only (for example, '1 Page' implies that the offeror can only provide a response on one side of a piece of paper).

Submittal Form	Maximum Page Limits
Submittal Form A – Offeror Information and Certifications	
<b>Submittal Form B – Experience and Qualifications</b>	<b>5</b>
<b>Submittal Form C – Understanding of the Project</b>	<b>5</b>
<b>Submittal Form D – Methodology Used for the Project</b>	<b>5</b>
<b>Submittal Form E – Management Plan for the Project</b>	<b>5</b>
Submittal Form G – Cost Proposal	

Any Submittal Form that is being evaluated and does not follow these instructions may receive a '1' score for the evaluated Submittal Form, or the entire response may be deemed non-responsive and rejected. Failure to submit any of the Submittal Forms will result in the proposal being deemed non-responsive and rejected.

### **SEC. 4.03 OFFEROR INFORMATION AND CERTIFICATIONS (SUBMITTAL FORM A)**

The offeror must complete and submit this Submittal Form, to include their Central Registration Depository (CRD) number. The form must be signed by an individual authorized to bind the offeror to the provisions of the RFP.

By signature on the form, the offeror certifies 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; and
- g) that the offers will remain open and valid for at least 90 days.

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

The Submittal Form also requests the following information:

- a) The complete name and address of offeror's firm along with the offeror's Tax ID.
- b) Information on the person the Trust should contact regarding the proposal.
- c) Names of critical team members/personnel.
- d) Addenda acknowledgement.
- e) Conflict of interest statement.
- f) Federal requirements.
- g) Alaska preference qualifications.

An offeror's failure to address/respond/include these items may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

### **SEC. 4.04 EXPERIENCE AND QUALIFICATIONS (SUBMITTAL FORM B)**

Offerors must provide detail on the personnel assigned to accomplish the work called for in this RFP; illustrate the lines of authority; designate the individual responsible and accountable for the completion of each component and deliverable of the RFP.



Offerors must provide a narrative description of the organization of the project team and a personnel roster that identifies each person who will actually work on the contract along with their titles and location(s) where work will be performed.

Offerors must provide additional information related to any disciplinary history disclosed on the SEC Form ADV Part 1, Item 11 Disclosure Information.

Offerors must also provide reference names and phone numbers for similar projects the offeror's firm has completed.

Offerors must include the following as attachments to the submittal forms:

- Resumes for each person working on the contract.
- One client deliverable report for work similar to this RFP.
- Their latest Form ADV parts 1 and 2.

**SPECIAL NOTE:** The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

#### **SEC. 4.05 UNDERSTANDING OF THE PROJECT (SUBMITTAL FORM C)**

Offerors must provide comprehensive narrative statements that illustrate their understanding of the requirements of the project and the project schedule.

**SPECIAL NOTE:** The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

#### **SEC. 4.06 METHODOLOGY USED FOR THE PROJECT (SUBMITTAL FORM D)**

Offerors must provide comprehensive narrative statements that set out the methodology they intend to employ and illustrate how the methodology will serve to accomplish the work and meet the Trust's project schedule.

**SPECIAL NOTE:** The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

#### **SEC. 4.07 MANAGEMENT PLAN FOR THE PROJECT (SUBMITTAL FORM E)**

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 Trust's project schedule.

**SPECIAL NOTE:** The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

#### **SEC. 4.08 COST PROPOSAL (SUBMITTAL FORM G)**

Offerors must complete and submit this Submittal Form. Proposed costs must include all direct and indirect costs associated with the performance of the contract, including, but not limited to: total number of hours at various hourly rates, direct expenses, payroll, supplies, overhead assigned to each person working on the project,

percentage of each person's time devoted to the project, and profit. The costs identified on the cost proposal are the total amount of costs to be paid by the Trust. No additional charges shall be allowed.

The cost proposal will include a phased structure for the creation and presentation of the report, and hourly rate(s) for the additional consultation for updated review and analysis of specific areas of the Final Report, or other investment consultant expertise as needed, as described in Section 3.01 SCOPE OF WORK.

## SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION

### SEC. 5.01 SUMMARY OF EVALUATION PROCESS

The Trust will use the following steps to evaluate and prioritize proposals:

- 1) Proposals will be assessed for overall responsiveness. Proposals deemed non-responsive will be eliminated from further consideration.
- 2) A proposal evaluation committee (PEC), made up of at least three state employees or public officials, will evaluate specific parts of the responsive proposals.
- 3) The Submittal Forms, from each responsive proposal, will be sent to the PEC. No cost information will be shared or provided to the PEC.
- 4) The PEC will independently evaluate and score the documents based on the degree to which they meet the stated evaluation criteria.
- 5) After independent scoring, the PEC will have a meeting, chaired by the procurement officer, where the PEC may have a group discussion prior to finalizing their scores.
- 6) The evaluators will submit their final individual scores to the procurement officer, who will then compile the scores and calculate awarded points as set out in Section 5.03.
- 7) The procurement officer will calculate scores for cost proposals as set out in Section 5.08 and add those scores to the awarded points along with factoring in any Alaska preferences.
- 8) The procurement officer may ask for best and final offers from offerors susceptible for award and revise the cost scores accordingly.
- 9) The Trust will then conduct any necessary negotiations with the highest scoring offeror and award a contract if the negotiations are successful.

### SEC. 5.02 EVALUATION CRITERIA

Proposals will be evaluated based on their overall value to Trust, considering both cost and non-cost factors as described below. Note: 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.

Overall Criteria	Weight
Responsiveness	Pass/Fail

Qualifications Criteria		Weight
Experience and Qualifications	(Submittal Form B)	20
Understanding of the Project	(Submittal Form C)	8
Methodology Used for the Project	(Submittal Form D)	15

Management Plan for the Project	(Submittal Form E)	7
Total		50

Cost Criteria		Weight
Cost Proposal	(Submittal Form F)	40
Total		40

Preference Criteria		Weight
Alaska Offeror Preference (if applicable)		10
Total		10

**TOTAL EVALUATION POINTS AVAILABLE: 100**

### SEC. 5.03 SCORING METHOD AND CALCULATION

The PEC will evaluate responses against the questions set out in Sections 5.04 through 5.07 and assign a single score for each section. Offerors' responses for each section will be rated comparatively against one another with each PEC member assigning a score of 1, 5, or 10 (with 10 representing the highest score, 5 representing the average score, and 1 representing the lowest score). Responses that are similar or lack dominant information to differentiate the offerors from each other will receive the same score. Therefore, it is the offeror's responsibility to provide dominant information and differentiate themselves from their competitors.

After the PEC has scored each section, the scores for each section will be totaled and the following formula will be used to calculate the amount of points awarded for that section:

$$\frac{\text{Offeror Total Score}}{\text{Highest Total Score Possible}} \times \text{Max Points} = \text{Points Awarded}$$

**Example (Max Points for the Section = 100):**

	PEC Member 1 Score	PEC Member 2 Score	PEC Member 3 Score	PEC Member 4 Score	Combined Total Score	Points Awarded
<b>Offeror 1</b>	10	5	5	10	30	75
<b>Offeror 2</b>	5	5	5	5	20	50
<b>Offeror 3</b>	10	10	10	10	40	100

**Offeror 1** was awarded 75 points:

$$\frac{\text{Offeror Total Score (30)}}{\text{Highest Total Score Possible (40)}} \times \text{Max Points (100)} = \text{Points Awarded (75)}$$

**Offeror 2** was awarded 50 points:

$$\frac{\text{Offeror Total Score (20)}}{\text{Highest Total Score Possible (40)}} \times \text{Max Points (100)} = \text{Points Awarded (50)}$$

Highest Total Score Possible (40)

**Offeror 3** was awarded 100 points:

Offeror Total Score (40)

\_\_\_\_\_ x Max Points (100) = Points Awarded (100)

Highest Total Score Possible (40)

## SEC. 5.04 EXPERIENCE AND QUALIFICATIONS

This portion of the offeror's proposal will be evaluated against the following questions:

### **1) Questions regarding the personnel:**

- a) Do the individuals assigned to the project have experience on similar projects?
- b) Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?
- c) How extensive is the applicable education and experience of the personnel designated to work on the project?

### **2) Questions regarding the firm and subcontractor (if used):**

- a) How well has the firm demonstrated experience in completing similar projects on time and within budget?
- b) How successful is the general history of the firm regarding timely and successful completion of projects?
- c) Has the firm provided references from previous clients?
- d) If a subcontractor will perform work on the contract, how well do they measure up to the evaluation used for the offeror?

## SEC. 5.05 UNDERSTANDING OF THE PROJECT

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) How well has the offeror demonstrated a thorough understanding of the purpose and scope of the project?
- 2) How well has the offeror identified pertinent issues and potential problems related to the project?
- 3) To what degree has the offeror demonstrated an understanding of the deliverables the Trust expects it to provide?
- 4) Has the offeror demonstrated an understanding of the Trust's time schedule and can meet it?

## SEC. 5.06 METHODOLOGY USED FOR THE PROJECT

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP?
- 2) How well does the methodology match and achieve the objectives set out in the RFP?
- 3) Does the methodology interface with the time schedule in the RFP?

## SEC. 5.07 MANAGEMENT PLAN FOR THE PROJECT

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?
- 2) How well is accountability completely and clearly defined?
- 3) Is the organization of the project team clear?
- 4) How well does the management plan illustrate the lines of authority and communication?
- 5) To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract?
- 6) Does it appear that the offeror can meet the schedule set out in the RFP?
- 7) Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- 8) To what degree is the proposal practical and feasible?
- 9) To what extent has the offeror identified potential problems?

## SEC. 5.08 CONTRACT COST (COST PROPOSAL)

Overall, a minimum of 40% of the total evaluation points will be assigned to cost. After the procurement officer applies any applicable preferences, the offeror with the lowest total cost will receive the maximum number of points allocated to cost per 2 AAC 12.260(c). The point allocations for cost on the other proposals will be determined using the following formula:

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

**Example (Max Points for Contract Cost = 400):**

### **Step 1**

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

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

### **Step 2**

In this example, the RFP allotted 40% of the available 1,000 points to cost. This means that the lowest cost will receive the maximum number of points.

**Offeror #1 receives 400 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, 400 points.

**Offeror #2 receives 374.3 points.**

*\$40,000 lowest cost x 400 maximum points for cost = 16,000,000 ÷ \$42,750 cost of Offeror #2's proposal = 374.3*

**Offeror #3 receives 336.8 points.**

*\$40,000 lowest cost x 400 maximum points for cost = 16,000,000 ÷ \$47,500 cost of Offeror #3's proposal = 336.8*

## SEC. 5.09 APPLICATION OF PREFERENCES

Certain preferences apply to all Trust contracts, 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 following website:

<http://doa.alaska.gov/dgs/pdf/pref1.pdf>

- 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 list 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 Trust to disallow the preference.**

## SEC. 5.10 ALASKA BIDDER PREFERENCE

An Alaska Bidder Preference of 5% 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 Certification Form**

In order to receive the Alaska Bidder Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror does not need to complete the Alaska Veteran Preference questions on the form if not claiming the Alaska Veteran Preference. An offeror's failure to provide this completed form with their proposal will cause the Trust to disallow the preference.

### **SEC. 5.11 ALASKA VETERAN PREFERENCE**

An Alaska Veteran Preference of 5%, 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.

In accordance with AS 36.30.321(i), the bidder must also add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, the bidder must have sold supplies of the general nature solicited to other state agencies, other government, or the general public.

#### **Alaska Veteran Preference Certification**

In order to receive the Alaska Veteran Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror's failure to provide this completed form with their proposal will cause the Trust to disallow the preference.

### **SEC. 5.12 ALASKA OFFEROR PREFERENCE**

Per 2 AAC 12.260, 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, which will be added to the offeror's overall evaluation score.

#### **Example:**

##### **Step 1**

Determine the number of points available to qualifying offerors under this preference:

1000 Total Points Available in RFP x 10% Alaska Offeror preference = 100 Points for the preference

##### **Step 2**

Determine which offerors qualify as Alaska bidders and thus, are eligible for the Alaska Offeror preference. For the purpose of this example, presume that all proposals have been completely evaluated based on the evaluation criteria in the RFP. The scores at this point are:

Offeror #1	830 points	No Preference	0 points
Offeror #2	740 points	Alaska Offeror Preference	100 points
Offeror #3	800 points	Alaska Offeror Preference	100 points

### Step 3

Add the applicable Alaska Offeror preference amounts to the offerors' scores:

Offeror #1	830 points
Offeror #2	840 points (740 points + 100 points)
<b>Offeror #3</b>	<b>900 points (800 points + 100 points)</b>

**Offeror #3** is the

## SEC. 5.13 OFFEROR NOTIFICATION OF SELECTION

After the completion of contract negotiation, the procurement officer will issue a written Notice of Intent to Award and send copies of that notice to all offerors who submitted proposals. The notice will list the names of all offerors and identify the offeror selected for award.

## SECTION 6. GENERAL PROCESS AND LEGAL INFORMATION

### SEC. 6.01 INFORMAL DEBRIEFING

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

### SEC. 6.02 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 Preference 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** for information on these licenses. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

- copy of an Alaska business license;
- certification on the proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- a canceled check for the Alaska business license fee;
- a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or



- a sworn and notarized statement 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.

### SEC. 6.03 STANDARD CONTRACT PROVISIONS

The contractor will be required to sign the Trust's Standard Contract Form for Goods and Non-Professional Services (form SCF.DOC/Appendix A). This form is attached with the RFP for your review. 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, and the Trust reserves the right to reject a proposal that is non-compliant or takes exception with the contract terms and conditions stated in the Agreement. Any requests to change language in this document (adjust, modify, add, delete, etc.), must be set out in the offeror's proposal in a separate document. Please include the following information with any change that you are proposing:

- 1) Identify the provision that the offeror takes exception with.
- 2) Identify why the provision is unjust, unreasonable, etc.
- 3) Identify exactly what suggested changes should be made.

### SEC. 6.04 QUALIFIED OFFERORS

Per 2 AAC 12.875, unless provided for otherwise in the RFP, to qualify as an offeror for award of a contract issued under AS 36.30, the offeror must:

- 1) Add value in the contract by actually performing, controlling, managing, or supervising the services to be provided; or
- 2) Be in the business of selling and have actually sold on a regular basis the supplies that are the subject of the RFP.

If the offeror leases services or supplies or acts as a broker or agency in providing the services or supplies in order to meet these requirements, the procurement officer may not accept the offeror as a qualified offeror under AS 36.30.

### SEC. 6.05 PROPOSAL AS PART OF THE CONTRACT

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

## SEC. 6.06 ADDITIONAL TERMS AND CONDITIONS

The Trust 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.

## SEC. 6.07 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: <https://www.state.gov/trafficking-in-persons-report/>

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

## SEC. 6.08 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 Trust. 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 Trust 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.**

## SEC. 6.09 TRUST NOT RESPONSIBLE FOR PREPARATION COSTS

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

## **SEC. 6.10 DISCLOSURE OF PROPOSAL CONTENTS**

All proposals and other material submitted become the property of the Trust and may be returned only at the Trust'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 contracting officer does so, and if the contracting 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 contracting 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.

## **SEC. 6.11 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.

## **SEC. 6.12 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 Trust 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.

## **SEC. 6.13 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.

## **SEC. 6.14 SUPPLEMENTAL TERMS AND CONDITIONS**

Proposals must comply with Section 6.08 Right of Rejection. However, if the Trust fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the Trust'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:

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

If the Trust'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.

## **SEC. 6.15 SOLICITATION ADVERTISING**

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

## **SEC. 6.16 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.

## **SEC. 6.17 DISCUSSIONS WITH OFFERORS**

The Trust 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.

## **SEC. 6.18 CONTRACT NEGOTIATION**

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 Trust may terminate negotiations and negotiate with the offeror of the next highest-ranked proposal. If contract negotiations are commenced, they may be held virtually or at the Trust offices, 3745 Community Park Loop, Suite 200, Anchorage AK 99508.

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

## **SEC. 6.19 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 Trust, after a good faith effort, simply cannot come to terms,

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

## SEC. 6.20 FEDERALLY IMPOSED TARIFFS

Changes in price (increase or decrease) resulting directly from a new or updated federal tariff, excise tax, or duty, imposed after contract award may be adjusted during the contract period or before delivery into the United States via contract amendment.

- **Notification of Changes:** The contractor must promptly notify the procurement officer in writing of any new, increased, or decreased federal excise tax or duty that may result in either an increase or decrease in the contract price and shall take appropriate action as directed by the procurement officer.
- **After-imposed or Increased Taxes and Duties:** Any federal excise tax or duty for goods or services covered by this contract that was exempted or excluded on the contract award date but later imposed on the contractor during the contract period, as the result of legislative, judicial, or administrative action may result in a price increase provided:
  - a) The tax or duty takes effect after the contract award date and isn't otherwise addressed by the contract;
  - b) The contractor warrants, in writing, that no amount of the newly imposed federal excise tax or duty or rate increase was included in the contract price, as a contingency or otherwise.
- **After-relieved or Decreased Taxes and Duties:** The contract price shall be decreased by the amount of any decrease in federal excise tax or duty for goods or services under the contract, except social security or other employment taxes, that the contractor is required to pay or bear, or does not obtain a refund of, through the contractor's fault, negligence, or failure to follow instructions of the procurement officer.
- **Trust's Ability to Make Changes:** The Trust reserves the right to request verification of federal excise tax or duty amounts on goods or services covered by this contract and increase or decrease the contract price accordingly.
- **Price Change Threshold:** No adjustment shall be made in the contract price under this clause unless the amount of the adjustment exceeds \$250.

## SEC. 6.21 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:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the contracting agency and the solicitation or contract at issue;
- 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 7. ATTACHMENTS

### SEC. 7.01 ATTACHMENTS

**Attachments:**

- 1) Standard Agreement Form
- 2) Appendix A – General Provisions
- 3) Submittal forms A-E
- 4) Submittal Form G Cost Proposal

# STANDARD AGREEMENT FORM

1. Agency Contract Number	2. DOA Tracking Number	3. Financial Coding	4. Agency Assigned Encumbrance Number
5. Vendor Number		6. Alaska Business License Number	
<b>This contract is between the State of Alaska,</b> 7. Department of <span style="float: right;">Division of</span> <b>Revenue, Alaska Mental Health Trust Authority</b> <span style="float: right;">hereafter the State, and</span>			
8. Contractor <span style="float: right;">hereafter the Contractor</span>			
Mailing Address	Street or P.O. Box	City	State Zip + 4 Telephone
9. <p><b>ARTICLE 1.</b> Appendices: Appendices referred to in this contract and attached to it are considered part of it.</p> <p><b>ARTICLE 2.</b> 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>2.4 Appendix D sets forth the Compensation plan for this contract..</p> <p>2.5 Appendix E includes the Request for Proposals, all associated amendments, and the contractor's response.</p> <p><b>ARTICLE 3.</b> Period of Performance: The period of performance for this contract begins _____ , and ends _____ .</p> <p><b>ARTICLE 4.</b> 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>			
10. Department of <b>Revenue</b>		Division of: <b>Alaska Mental Health Trust Authority</b>	
Mailing Address <b>3745 Community Park Loop Ste 200, Anchorage AK 99508</b>		Attention: <b>Valette Keller</b>	
<b>11. CONTRACTOR</b> Name of Firm  Signature of Authorized Representative _____ Date _____ Typed or Printed Name of Authorized Representative _____ Title _____ Employer ID No. (EIN) or SSN _____		13. 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 this obligation, or that there is a sufficient balance in the appropriation to cover this obligation. I am aware that to knowingly make or allow false entries or alterations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the variety, 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.	
<b>12. CONTRACTING AGENCY</b> Department/Division _____ Date _____ Signature of Project Director _____ Typed or Printed Name of Project Director _____ Title _____			
		Signature of Head of Contracting Agency _____ Date _____ or designee: _____ Typed or Printed Name _____ <b>Katie Baldwin-Johnson</b> Title _____ <b>Chief Operating Officer</b>	

**APPENDIX A  
GENERAL CONDITIONS**

**1. Inspections and Reports:**

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

**2. Suitable Materials, Etc.:**

Unless otherwise specified, all materials, supplies or equipment offered by the contractor shall be new, unused, and of the latest edition, version, model, or crop and of recent manufacture.

**3. Disputes:**

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-AS 36.30.632

**4. Default:**

In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

**5. 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 Procurement Officer.

**6. No Additional Work or Material:**

No claim for additional supplies or 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 Procurement Officer.

**7. 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.

**8. 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.

**9. 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.

**10. 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) seek to limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

**11. Officials Not to Benefit:**

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

**12. Contract Prices:**

Contract prices for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices for services must be in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost.

**13. Contract Funding:**

Contractors are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

**14. 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.

**15. Contract Extension:**

Unless otherwise provided, the State and the 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 thirty (30) days before the desired date of cancellation.

**16. Severability:**

If any provision of the contract 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.

**17. Continuing Obligation of Contractor:**

Notwithstanding the expiration date of this contract, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance, and parts availability requirements have completely expired.

**18. Termination.**

- a. The Procurement Officer, 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 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.
- b. The Procurement Officer may also, by written notice, terminate this contract under Administrative Order 352 if the contractor supports or participates in a boycott of the State of Israel.

**19. 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.