



Alameda County Employees' Retirement Association

Request for Proposal (RFP) for:

PENSION ADMINISTRATION PROJECT OVERSIGHT AND CONSULTING

Issued by:

Alameda County Employees' Retirement Association

Issue Date: September 10, 2018

Question Submittal Due Date: October 1, 2018

Proposal Due Date: October 10, 2018

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Contents

Section 1: General Information.....	4
1.1 Purpose	4
1.2 Submission Instructions.....	4
1.3 Information Requested from Vendors.....	4
1.4 Vendor Presentations	5
1.5 Quiet Period.....	5
1.6 Reservation of Rights	5
1.7 ACERA Ownership	5
1.8 Public Records Act.....	5
1.9 Existing Relationship(s)	6
Section 2: Description of the Organization	6
2.1 Organization of ACERA.....	6
2.2 Current Infrastructure	6
2.3 ACERA Process Improvement Initiative	6
Section 3: Minimum Qualifications	7
Section 4: Requirements.....	7
4.1 Pension Administration System Oversight and Consulting Services.....	7
4.2 General Terms and Conditions	8
4.3 Vendor Experience and Expertise	9
Section 5: Instructions to Proposers.....	9
5.1 Submitting a Written Proposal	9
5.2 Submitted Proposals.....	9
1. Title Page	9
2. Table of Contents	10
3. Cover Letter	10
4. Executive Summary.....	10
5. Experience and Qualifications.....	10
6. Project Proposal	11
7. Proposed Fee Schedule	11
8. Current or Pending Litigation.....	12
Section 6: Evaluation of Proposals	12
6.1 Evaluation Process and Criteria	12

6.2 Evaluation and Recommendation.....13

Section 1: General Information

1.1 Purpose

The Alameda County Employees' Retirement Association (ACERA) is seeking proposals from qualified firms or individuals ("vendors/ and or proposers") with knowledge and expertise in public pension administration systems to provide project oversight and consulting services in connection with a multi-year pension administration system replacement. ACERA is replacing its LRS Pension Gold v2.12 system with Pension Gold v3. Pension Gold v3 uses Microsoft SQL Server as its back-end database.

Proposers must have the minimum qualifications listed in Section 3 of this Request for Proposal (RFP) to successfully perform the required services described herein.

1.2 Submission Instructions

Please submit all proposals and inquiries via email or postal mail to:

2018 PAS OPM
Alameda County Employees' Retirement Association
475 14th Street, Suite 1000
Oakland, CA 94612
Phone: (510) 628-3000
Email: vjagar@acera.org

You may withdraw your proposal at any time up to the proposal deadline noted below simply by notifying ACERA in writing.

Pertinent Dates:

All questions, clarifications, and other comments regarding this RFP must be received no later than October 1, 2018 at 5:00 p.m. PST. Responses to clarifying questions will be provided on the ACERA website. It is incumbent on proposers to periodically check the ACERA website at <https://www.acera.org/rfp> for any RFP clarifications or modifications that may have been posted.

The deadline to respond to the RFP is 5:00 p.m. PST on October 10, 2018. All communications regarding this RFP shall be directed in writing to the address or email listed above. Written communications may be made via e-mail, U.S. Mail, or delivery service.

Distribution and Posting of RFP:	September 10, 2018
Clarification Questions Due:	October 1, 2018 at 5:00 p.m. PST
Deadline to Respond to the RFP:	October 10, 2018 at 5:00 p.m. PST

1.3 Information Requested from Vendors

Vendors are to respond with the requirements identified in Section 4. Proposals should include a description of the services to be provided and the pricing for those services. Proposals which are presented on a "not-to-exceed" basis or with specific fees will receive more favorable consideration than those which are presented on an hourly basis.

Vendors shall not include or reference this RFP in any publication without prior written approval of ACERA.

1.4 Vendor Presentations

ACERA may request vendors to provide an in-person presentation of their proposals. All costs associated with such presentations will be borne by the vendors. Promotional items shall not be provided by vendors at these presentations.

1.5 Quiet Period

The proposal period begins September 10, 2018 and will end with the final selection of a firm and completed contract negotiations. ACERA reserves the right to request additional information from any and all firms to assist it in its evaluation process. However, no firm may contact any trustee or staff regarding the RFP, other than the designated contact person, during the proposal period. Any prohibited contact may be grounds for elimination from the selection process. Current service providers who are responding to this RFP will avoid direct contact with trustees or staff other than the staff with whom they are working and will limit their discussions to current assignments.

1.6 Reservation of Rights

ACERA reserves all rights to modify the requirements of this RFP, in whole or in part; to modify or amend the evaluation process, including any selection criteria; and to alter any timelines stated herein. Additionally, ACERA reserves all rights to waive any defect, deviation or non-compliance with the requirements of this RFP. ACERA may discontinue or cancel this solicitation and reserves all rights to reject any and all submissions, and to award no contract.

1.7 ACERA Ownership

All proposals to the RFP will become the property of ACERA and will not be returned. Should the vendor deem it necessary to include confidential or proprietary information in response to this RFP, the vendor must specifically mark each page/section in large bold type (**PROPRIETARY INFORMATION**). All rights to information developed, disclosed, or provided in the proposal are the property of ACERA, unless a Respondent makes specific reference to data that is considered proprietary.

1.8 Public Records Act

Per the Public Records Act (PRA) (Gov. Code 6250 et seq.), ACERA will make available to the public, upon request, the submitted proposal and all correspondence and written questions submitted during the RFP process. However, such disclosure shall not be made prior to the date that the selected party and ACERA execute a contract. Except as otherwise required by law, ACERA will not disclose trade secrets or proprietary financial information submitted in response to the RFP. Any such trade secrets or proprietary financial information, which a proposer believes should be

exempted from disclosure, shall be specifically identified and marked as such. Blanket-type identification by designating whole pages or sections shall not be permitted and shall be invalid. The specific information must be clearly identified as such. ACERA reserves the right to independently determine whether any document is subject to disclosure and to make such information available to the extent required by applicable law, without any restriction.

However, upon a request for records regarding a submitted proposal, ACERA will notify the proposer involved of a specific time for when the records will be made available for inspection. If the proposer, in a timely manner, identifies any “proprietary, trade secret, or confidential commercial or financial” information which the proposer determines is not subject to public disclosure, the proposer will be required fully to intervene, justify such exemption, and secure appropriate injunctive orders in all for exempting such records from disclosure.

1.9 Existing Relationship(s)

If a proposer has any existing relationship(s) that involves a member, an employee or a Board member of ACERA or an elected or appointed official of Alameda County that would compromise its objectivity, the vendor must disclose such relationship(s).

Section 2: Description of the Organization

2.1 Organization of ACERA

ACERA is a government defined benefit pension plan that provides retirement, disability, death benefits, and health benefits to the General and Safety members employed by Alameda County and other Participating Employers. ACERA is governed by the County Employees’ Retirement Law of 1937 (CERL), contained in CA Government Code §§ 31450 – 31899.10, and other relevant state and federal laws.

2.2 Current Infrastructure

ACERA is currently supported by over 90 employees, the majority of whom rely on the current Pension Administration System (“PAS”), Pension Gold v2.12, to support their job function. The current PAS is a client-server application placed in production in 2001 using Oracle as a back-end database. Outside of Pension Gold, ACERA relies on Hyland OnBase, a document management system integrated with the PAS that provides an imaging solution.

2.3 ACERA Process Improvement Initiative

In late-2017, ACERA contracted with a consultant (“Process Consultant”) to embark on a process improvement initiative with the goal of optimizing major business processes. The goal is to streamline certain process steps and to reduce or eliminate time, reduce resource wastage, and to remove bottlenecks while achieving the process objective. One major process was optimized in early 2018, and ACERA plans to have four more processes optimized by the end of 2019. All four of these processes will have steps that can be automated in PGv3.

Section 3: Minimum Qualifications

All vendors must clearly demonstrate and document in the proposal the following minimum qualifications. Proposals not meeting the minimum qualifications will not be reviewed or evaluated.

1. At least three years of experience providing consulting services to assist public sector clients. A public sector client, for these purposes, must be a United States Federal, state, municipal, or other local government client; and,
2. The proposer has conducted similar systems analysis work as detailed in this RFP, resulting in positive impacts for at least three other defined benefit public sector retirement systems with over ten thousand members; and,
3. The proposer has provided related procurement services and/or oversight responsibilities for the project management and quality assurance of a PAS implementation for at least three other defined benefit public sector retirement systems with over ten thousand members.

Section 4: Requirements

4.1 Pension Administration System Oversight and Consulting Services

ACERA is seeking the professional services of a pension administration implementation consultant to provide project management oversight and consulting services in connection with a PAS replacement project as outlined below. Our expectation is that the vendor will provide a project manager and possibly other key personnel to work with ACERA to respond to ACERA needs, questions, and/or issues in a timely manner. The vendor must commit to assigning a designated project manager to this project throughout its execution. In the event that the vendor must assign replacement staff due to death or termination, ACERA reserves the right to approve or reject any proposed changes in personnel assigned to the project. Replacement personnel must have substantially similar levels of seniority and relevant experience as the individual being replaced.

- Process Improvement Initiative: Vendor, in conjunction with LRS, will provide input into the Process Improvement Initiative (described in Section 2.3) that is being led by the Process Consultant. In particular, the input from vendor and LRS will be around the possibility of certain process tasks being automated in the new PAS. This input will be used by the Process Consultant and ACERA to optimize the process. **This initiative is anticipated to last until the end of 2019.**
- Fit-gap analysis: Vendor will identify gaps between the needs of operations and the capabilities of PGv3 and the overall systems environment
- Requirements Development: Vendor will work with ACERA and LRS in developing comprehensive requirements, including user and technical requirements. The results from the Process Improvement Initiative, described above, will be an input into requirements. **Requirements development will occur in conjunction with the Process Improvement Initiative. Both requirements development and the Process Improvement Initiative are anticipated to be completed at the end of 2019.**

- Contract and pricing negotiation: Vendor shall assist ACERA in negotiating terms and conditions of a pension administration contract with LRS, including pricing. ACERA is expecting to have two contracts with LRS. **The first contract is for providing input into the Process Improvement Initiative, developing requirements, and other related work. The second contract is for system implementation, support agreements, and related work.**
- Contract review: ACERA will draft pension licensing, implementation, and support agreements with LRS. Vendor shall provide a review of the agreements and any insights or revisions appropriate to protect the interests of ACERA.
- Project Work Plan/Control Document: Vendor shall assist ACERA in developing a Project Work Plan/Control Document that provides a detailed project plan and risk assessment including: task and deliverable descriptions; project plan detailing tasks responsibilities, staffing, effort, and due dates presented in Gantt and milestone charts; a work breakdown schedule (WBS) that outlines sequence dependencies among tasks and other task dependencies, identifying and documenting major go/no-go milestones in the project, and go/no-go criteria; a list of key assumptions; and ACERA review periods for deliverables. The Vendor shall monitor personnel work and task performance. The Project Work Plan/Control Document shall be updated weekly as new tasks are defined, tasks are completed, or task due dates are missed.
- Oversight project management: Vendor shall provide oversight project management services for the purpose of monitoring progress on the project plan throughout the duration of requirements development, implementation, and post-implementation. Post-implementation is anticipated to last at least six months. Vendor shall participate in regularly scheduled conference calls on at least a weekly basis and in-person meetings on at least a bi-weekly basis. Vendor shall provide recommendations and advise with respect to actions to be taken in the event that project plan objectives are not met throughout the project.
- Consulting and advice: ACERA is seeking the professional services of a pension administration implementation consultant to provide consulting advice as outlined above and with respect to any and all aspects of the implementation project. ACERA recognizes that there will be opportunities for value to be added by professional consulting services throughout the project and expects that the vendor's assigned project manager will identify and make recommendations which will expedite implementation, improve efficiencies, minimize expense, and otherwise improve the success of the project.

4.2 General Terms and Conditions

The consultant is expected to perform/handle the following general duties relating to the contract:

1. Treat all ACERA information as confidential. This applies to all data created, gathered, generated, or acquired within the scope of the contract. Sensitive information is inclusive, but not limited to, ACERA members and beneficiaries found within ACERA's databases and data sources, and are not permitted to be taken off-site of ACERA's premises nor permitted to be stored in electronic format outside of ACERA's computer network. The consultant shall notify ACERA immediately if there are any breaches to the confidentiality of ACERA's confidential information. The breach of this agreement is subject to cancellation of contract and the consultant may be liable for damages.

2. Not disclose any information relating to ACERA except with an approved written consent prior to the release of any such information resulting from this engagement. With respect to any publicity given to the chosen consultant under terms of the resulting contract, the proposer shall identify ACERA as the sponsoring agency and shall not release any information without obtaining prior approval from the CEO of ACERA or an appointed designee. This information shall include, but will not be limited to, press releases, research, and reports.
3. Notify ACERA immediately of any anticipated changes in personnel assigned under the terms of this engagement. The consultant shall submit resumes of all personnel assigned to the work, as well as any proposed replacement personnel, and obtain written approval from ACERA for any change in the personnel assigned to the work.
4. Notify ACERA staff in writing in the event that any conflict of interest or possible conflict of interest is discovered regarding the provision of these services.
5. Notify ACERA of any litigation that arises during the execution of the contract.

4.3 Vendor Experience and Expertise

ACERA is interested in learning about the vendor itself. A key consideration will be the proven track record of the vendor in providing similar services to public pension system clients. Please provide information and documentation which establish a positive and proven history of project oversight management with a system upgrade, and a list of clients who will be willing to provide references upon request. Specific familiarity working with LRS and Pension Gold versions 2 and 3 will be considered as particularly beneficial.

Section 5: Instructions to Proposers

5.1 Submitting a Written Proposal

To be considered for award of this agreement, proposing entities must submit a proposal in response to the requirements herein. Proposals provide information about your background, your current business practice, and your applicable experience. Proposals are evaluated based on several evaluation criteria as indicated in this RFP.

Your written submittal in this RFP process will be the primary basis on which the ACERA will consider its award for the Agreement; therefore, proposers should be thorough and as detailed as possible when responding to each proposal item and assembling a proposal. In the written proposal, proposers must include responses to all proposal items requested herein. Proposers will not be able to add to or modify their proposals after the proposal due date.

5.2 Submitted Proposals

Proposals must contain all of the items required below in the following order:

1. Title Page

The title page must be titled "RFP for PENSION ADMINISTRATION PROJECT OVERSIGHT AND CONSULTING," along with vendor's name, address, and contact information.

2. Table of Contents

3. Cover Letter

Proposers are to include a cover letter indicating the contact information for the entity proposing. Include at a minimum:

- a. Legal business name, address, telephone number, and business status (individual, limited liability partnership, corporation, etc.) of proposer.
- b. Person(s) authorized to represent the proposer in negotiations with ACERA with respect to the RFP and subsequently awarded contract. Provide the key names, including title and position.
- c. Telephone and fax numbers (including office and cellular numbers, as appropriate).
- d. E-mail addresses, and any other information needed by ACERA staff to contact proposers.
- e. Include a statement that the proposing entity confirms its acknowledgement and acceptance of the terms and conditions set forth herein, without exceptions.

4. Executive Summary

The Executive Summary must be limited to no more than two pages and must provide a concise summarization of the services and deliverables being offered to meet the requirements of this solicitation; the Proposer's approach to providing services; and justification as to why the Proposer is the best qualified to provide services.

5. Experience and Qualifications

Only proposers which have the minimum qualifications listed in Section 3 of this RFP will be considered. Proposer shall submit a list of their references, experience, and qualifications as stated below:

- A. **Experience and Qualification of Proposer and Key Personnel:** Proposer shall supply information concerning the background and experience of the proposer and the key personnel proposing to work on the Requirements of this RFP. ACERA reserves the right to approve or reject key personnel. The following are examples of items that are to be included to present the proposer's qualifications:
 - a. Profile of proposer including a brief history, year founded, business entity type, location of headquarters and subsidiaries (if any), services provided, and approximate number of personnel (full-time, part-time, and seasonal). State past two years annual gross revenue figures as stated on proposer's tax or fiscal year returns.
 - b. Qualifications and experience of key personnel of the proposer and key personnel that will be assigned to this project. Submit resumes including: title, duties/tasks, listing of professional or relevant licenses and certifications held (if applicable), qualifications, as well as years of relevant work experience.
- B. **Experience with Similar Contracts:** Proposer shall provide a description of previous work experience in servicing similar contracts over the past three (3) years, preferably with public agency clients. Include the following information for each client:
 - a. Clients Name and Address
 - b. Contract Name

- c. Beginning and Ending Dates of Contract
 - d. Contract Amount of the Entire Project
 - e. Contact Person to Provide References (name and telephone number)
- C. **References:** Proposer shall attach at least three reference letters from former or current clients to document work experience and client satisfaction. It is preferable that the references are from clients with similar contracts or public agency clients and similar complexity to this project. The letters are to include:
- a. The name of the Proposer's lead consultant on the project.
 - b. Business address
 - c. Phone number of contact person
 - d. The time period during which the services were provided
 - e. A brief summary of the services provided.
 - f. Note: Submission of a proposal in response to this RFP constitutes permission for ACERA to contact any identified previous clients to request information on the performance of the proposer.

6. Project Proposal

Proposers are required to specifically respond to the Requirements as defined in Section 4. Proposers shall create a narrative responding with their understanding of the services to be provided and their proposed approach. Innovative and differing approaches may be included and will be considered in addition to the minimum requirements specified in the scope of work. Proposals offering alternatives to the specified qualifications above will be subject to ACERA's approval, otherwise the proposal will be rejected as non-responsive. Proposals subject to conditions and/or limitations may be rejected as non-responsive.

7. Proposed Fee Schedule

Once a proposer has been selected, negotiations of the fee(s) may become necessary. However, the negotiations for the services in this RFP will not result in a fee that is higher than the fee contained in the proposal.

- a) Proposer's fee schedule shall provide quoted costs for the requirements in Section 4.
- b) The fee schedule shall be in a table format and include a breakdown on both the individual portions and total costs.
- c) The fee schedule shall also have a column describing the timelines the proposer estimates for each requirement, and this should correspond to the costs quoted for each portion of the work.
- d) Proposer must also provide a schedule of the number of staff involved in each portion of the work, as well as their anticipated number of hours working on each portion of the work. Proposer must provide total costs for each phase.
- e) In the fee analysis, Proposer must indicate the hourly rates applicable to the positions assigned to the team performing the work.
- f) Proposer's costs for the scope of services shall include all costs associated with providing the services, and there shall be no additional charges for the work outside of the proposal and this fee schedule.

8. Current or Pending Litigation

Describe any current or pending litigation the proposer is involved in, if any. Also describe any litigation the proposer was involved in during the previous three years. Failure to answer truthfully may result in disqualification of your proposal and will be considered a breach of contract after execution of contract if awarded. Note that the proposer that is selected will also be required to notify ACERA of litigation that subsequently arises during the execution of the contract.

Section 6: Evaluation of Proposals

6.1 Evaluation Process and Criteria

ACERA reserves the right to request additional information to clarify a submitted proposal. The evaluation of proposals will consist of three levels. Each proposer must pass Level I in order to advance to Level II, and must pass Level II to advance to Level III.

1. Level I - Compliance with RFP Submission Requirements

ACERA will conduct a preliminary evaluation of all proposals submitted by the deadline to determine compliance with proposal requirements and mandatory document submissions. As part of the evaluations, ACERA will review Proposer's performance on previous contracts to determine the Proposer's ability to meet contractual obligations. Proposer's record of ethics and integrity must be satisfactorily met to be deemed responsive.

- a) Manner of Submission – Proposal must meet all RFP requirements for submission including deadlines and format.
- b) Information Requested – Proposal must include all information requested in the RFP.

2. Level II - Evaluation and Scoring Criteria of Proposal Items

For the purposes of Level II evaluation, the responsive proposals will be evaluated, ranked, and scored based on the criteria below:

Criteria	Possible Points
Professionalism ✓ Proposer demonstrated professionalism in the response to the RFP, such as: RFP presentation, well-written summary of the important features of the RFP, etc.	10
Proposed Scope of Services Description and Methodology ✓ Proposer demonstrated strong understanding of ACERA's objectives and provides a proposed methodology and further refinement of the Requirements.	20
Qualifications, Experience, and Accomplishment ✓ Strength of prior experience in performing systems analysis and development in other public pensions. ✓ Demonstration of expertise in/knowledge of pension administration applications and systems. ✓ Strength of prior expertise in providing procurement support and oversight on project management/quality assurance services. ✓ Strength of favorable references during reference verification process.	50
Value of Cost	20

✓ The evaluation of the relative cost and value for each proposer based upon its submission of the proposed fee schedule. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis.	
Total	100

3. Level III - Interviews

Firms that are considered to be the most competitive based on the criteria in Levels I and II will be interviewed in person at ACERA's offices in Oakland, CA. Firms must include the key personnel proposing to work on the Requirements of this RFP. All costs associated with these interviews will be borne by the vendors.

6.2 Evaluation and Recommendation

Responsive proposals to this RFP will be ranked based on the combined results of interviews, reference checks, background checks, and the proposals submitted. ACERA may engage outside individuals to compose an evaluation panel.

Furthermore, ACERA reserves the right to conduct such investigations as ACERA considers appropriate with respect to the qualifications of each proposer or responsive proposer and any information contained in its proposal. ACERA reserves the right to conduct thorough background checks on the firm and the personnel proposing to work on the Requirements of this RFP. If information from a background check is found to contradict information in a proposal, that proposal will be rejected as non-responsive.

All proposals in response to this RFP will be evaluated solely on the basis of the criteria listed above and the ranking of any review panel will serve as a basis to formulate staff recommendations, setting forth the reasons for recommendation in a report to ACERA's Board.

After evaluation of the RFP's and approval by the ACERA Board, all bidders will be notified of the successful bid.

Once a vendor is selected and approved, contract negotiations will be initiated. ACERA expects contract negotiations to be brief. If contract negotiations stall and agreement cannot be reached, ACERA may, in its sole discretion, terminate negotiations with the selected vendor and commence contract negotiations with another vendor from the list with Board approval.