REQUEST FOR PROPOSAL

COMPETITIVE SEALED PROPOSAL FOR PROFESSIONAL SERVICES TO IMPLEMENT A FIVE YEAR RETIREMENT TECHNOLOGY PLAN FOR THE DISTRICT OF COLUMBIA RETIREMENT BOARD

May 10, 2008

District of Columbia Retirement Board
900 7th Street NW; Suite 200
Washington, D.C., 20001
http://dcrb.dc.gov

TABLE OF CONTENTS

I. OVERVIEW **1**
1.01 General Background 1
1.02 RFP-Related Background 2
1.03 Scope Of Work 2
(1) **Part 1: Immediate Technical Upgrade** 2
(2) **Part 2: Line-of-Business Applications** 3
(3) **Part 3: Implementation of Information Exchanges** 4
(4) **Part 4: Additional Services** 5
1.04 Schedule Of Events 6
1.05 Point Of Contact 6
1.06 Offeror Questions and RFP Amendment 6
1.07 Evaluation of Responses 7

II. PROPOSAL PREPARATION **8**
2.01 General 8
2.02 Method of Submission 8
2.03 Proposal Format 8
(1) **Statement Of Understanding** 9
(2) **Assumptions, Limitations, And Constraints** 9
(3) **Corporate Background And Financials** 9
(4) **Experience Summary** 10
(5) **Proposed Project Team** 10
(6) **Project Plan** 10
(7) **Cost Plan** 10
(8) **Offeror References** 10

III. GENERAL TERMS AND CONDITIONS **12**
3.01 Reservations 12
3.02 Confidentiality 12
3.03 Sole Property 13
3.04 Contractual Requirements 13
3.05 Contract Payments 13
3.06 Cancellations 13
3.07 Inspection and Acceptance 13

IV. APPENDIX A – TRANSFORMATION PLAN OVERVEW **14**

V. APPENDIX B – TECHNOLOGY ROADMAP **15**

VI. APPENDIX C - SAMPLE SERVICE AGREEMENT **16**

I. OVERVIEW

The District of Columbia Retirement Board (DCRB) is in search of an independent consultant / contractor to assist with the organization, management, and leadership of several key technology initiatives. The following subsections provide a general background on DCRB, RFP-related background, and scope of work for the Offeror to accomplish.

1.01 General Background

DCRB was established as an independent agency of the District of Columbia government (the "District") by the U.S. Congress on November 17, 1979, through enactment of the District of Columbia Retirement Reform Act, as amended (the "Reform Act"). This measure provided DCRB with exclusive authority and discretion to manage and control the District of Columbia Police Officers' and Firefighters" Retirement Fund, and the District of Columbia Teachers' Retirement Fund (collectively the "Funds").

Prior to the enactment of the Reform Act in 1979, eligibility, benefit rules, and financing arrangements for the pension plans for the District's police officers, firefighters, and teachers were authorized by various acts of Congress and administered by the Federal government. At that time, retirement benefits paid to participants were financed from the general revenues on a "pay-as-you-go" basis, ultimately resulting in a substantial unfunded liability. These unfunded liabilities were also transferred to the District in 1979.

In response to a financial crisis confronting the District in the mid-1990's, Congress enacted the National Capital Revitalization and Self-Government Improvement Act of 1997 (the "Revitalization Act"). Under the Revitalization Act, the Federal government assumed responsibility for most of the Funds' unfunded liabilities, as well as administrative responsibility for participants who had retired and for whom benefits had accrued prior to July 1, 1997. In effect, the retirement plans for District police officers, firefighters, and teachers were frozen as of June 30, 1997, and the District was required to adopt replacement plans for those same employees. With passage of the District's Replacement Plan Act, the District became responsible for the funding and administration of benefits accrued on and after July 1, 1997. Although separate trusts were created and the Federal government and DCRB continued investing their financial obligations independently, benefits administration continued under the District Finance Department's Office of Pay and Retirement Services (OPRS), with oversight of the Federal government's responsibilities by the US Treasury Department's Office of DC Pensions (ODCP).

On October 1, 2005, responsibility for the administration of benefits for both the District and the Treasury Department was transferred from OPRS to DCRB. Under this arrangement, DCRB serves as a third party administrator for the Treasury Department, which retains oversight related to its obligations under the frozen plans. In addition, as spelled out in a Memorandum of Understanding, DCRB is required to reimburse Treasury for a portion of the costs of maintaining and upgrading Treasury's System to Administer Retirement (STAR) that is reflective of the amount of benefits paid to participants by each entity. Currently, Treasury's portion of these expenses is approximately 90% and DCRB's is approximately 10%. As new retirees increase, DCRB's payment obligations and the number of retirees and corresponding payments required of Treasury diminish, DCRB's expenses will increase proportionately.

DCRB is currently comprised of twelve Trustees. The composition of DCRB is an expression of Congressional intent to balance the various interests represented by the District's executive and legislative branches as well as the Funds' participant groups. Accordingly, three Trustees are appointed by the Mayor, three are appointed by the Council of the District, and the remaining six

are elected by the participant groups (one each from the active and retired police officers, firefighters, and teachers). In addition, the District's Deputy Chief Financial Officer and Treasurer participates in an ex-officio capacity.

1.02 RFP-Related Background

Over the next 5 years, the District of Columbia Retirement Board (DCRB) wishes to transform its business operations to administer a full-service, defined-benefit program that manages pension-related information from the date of employment through member retirement. To accomplish this business transformation, DCRB has developed a five-year strategic plan (Roadmap) to orchestrate several operational and technological changes (see Appendix A).

DCRB plans to incrementally acquire and implement core components of a pension management information system. These component systems will maintain all active member information from time of employment to retirement, manage employer information, track all payroll and contribution records, and integrate with the existing benefit payment system maintained by the US Treasury. After implementing core pension management information system components, DCRB plans to deploy modern member and employer Web portals with industry-standard functions and capabilities, including benefit estimation calculators.

The Scope of Work outlines the specifics of the Roadmap and the requirements of this RFP in more detail.

1.03 Scope Of Work

The following section outlines the Scope of Work (Scope) for this RFP. The Scope contains the list of technology projects that will support and enable the agency to accomplish the goals and desired outcomes of the five-year plan. This set of projects is designed to provide DCRB with the technology tools and information repositories that will allow DCRB to better serve its Plans and members, and to conduct its ongoing business operations more efficiently (see Appendix B). The Offeror will be expected to provide program management oversight and utilize specific analytical tasks to assure that deliverables, goals and objectives are reached on time and within Scope.

(1) Part 1: Immediate Technical Upgrade

This set of projects provides immediate action to resolve several critical issues for DCRB operations. The focus of this set of projects is upgrading DCRB's technology infrastructure to support recently installed document-imaging and work flow management systems and the future pension information systems.

The projects include:

(a) Online Access to other District Systems

DCRB will work with DCHR and OCFO to get read-only access to the DCHR PeopleSoft HR and OCFO PeopleSoft payroll system. The purpose of this access is to allow DCRB Benefits Department analysts to access and retrieve member pension information.

This project is designed to provide DCRB staff members with a better ability to answer pension queries from plan members.

(2) Part 2: Line-of-Business Applications

Several line-of-business information systems are needed to support business operations. DCRB needs three basic modules to support its business operations – a member information system, a contribution tracking system, and a benefit payment system. DCRB plans to continue to use Treasury's STAR application for benefit payment processing. DCRB needs to acquire a properly sized and configured member information application and contribution-reporting application. This set of projects also includes a dynamic Web portal that includes benefit estimation calculators.

The projects include:

(a) Line-of-Business Needs Assessment and Planning

DCRB will conduct an analysis of its business needs and feasibility for acquiring a pension member information system and a contribution tracking system. This project would also include the development of a future concept of operations and migration plan for transitioning DCRB there.

(b) Member Information System

DCRB will acquire and implement a pension member information system. DCRB will keep an electronic record of each plan member that is actively employed, has terminated employment with vested contributions in the plans, or has retired (including a disability retirement). The member records will include basic contact, demographic, plan election, employment history, service credit, and beneficiary information. The system will also track correspondence, member contacts, and audited estimates.

(c) Member Contribution Tracking System

DCRB will acquire and implement a contribution-tracking information system. Plan employers will provide detailed contribution information after each pay period identifying contribution amounts for each plan member. In addition, they will report each employee's position, classification, and period salary, so that the system can detect any changes in member information.

(d) Collection, Cleaning, and Conversion of Member Pension Data

DCRB will collect, clean, and convert plan member information that is located in several employer repositories throughout the District, including:

- DCHR PeopleSoft HR system
- OPRS PeopleSoft and legacy systems
- Teachers' payroll and legacy HR systems
- Charter school employer records that apply to certain teachers

(e) Collection, Cleaning, and Conversion of Member Contribution Data

DCRB will collect, clean, and convert plan contribution information that is in several employer repositories located throughout the District, including:

- OCFO PeopleSoft payroll 2806 contribution tracking system
- Charter school employer records
- DCRB contribution records

(f) Dynamic Pension Web Portal for Members

DCRB will develop a new dynamic Web portal that is designed to serve the needs of plan members. The purpose of this Web portal includes providing plan information, appropriate forms, and access to member information. This Web portal will form the foundation for a dynamic pension web site that will contain various tools and features.

(g) Benefit Estimation Tool I

DCRB will develop a tool that will estimate the defined-benefit annuity based upon basic member pension data. This is designed to be a low-to-medium fidelity estimate. It is a tool that staff and members can use to provide a basic estimate that is accurate within 5 to 10 percent with minimal member data.

(h) Employer Reporting Portal

DCRB will develop a Web-based reporting tool for employers to report contribution and other changes in member employment information. This will be used specifically for charter schools who are outside the normal District reporting process.

This portal will also include employer information, schedules, and forms.

(i) Pension Data Warehouse

The Pension Data Warehouse will provide a reporting capability for pension data. In this project, a data warehouse will be produced, bringing member information, contribution information, and pension payment information (from the STAR system) together to support consolidated reporting. This will provide DCRB with the ability to access pension information to support member inquiries, research, operations metrics development, and other reporting activities.

(j) Annual Benefit Statement

DCRB will develop a process to report the estimated annual benefits for active plan members.

(k) Benefit Estimation Tool II

DCRB will develop a tool that will estimate the defined-benefit annuity based upon basic member pension data. This is designed to be a high-fidelity estimation tool that can be audited and that is accurate to within a few percentage points. It is a tool that staff and members can use to provide verifiable estimates. Estimates are tied to member service credit and contribution information.

(3) **Part 3: Implementation of Information Exchanges**

To enable information sharing among District agencies, information exchanges need to be established. District organizations will need to provide information about plan members and their contributions to DCRB. In addition, as DCRB has more information about members and their contributions, it will be able to automatically load the information into the STAR system rather than manually keying in such data.

Projects related to information sharing include:

(a) Planning of Information Exchanges

This project identifies and develops a plan for information exchanges to support the new line-of-business applications.

(b) Information Exchanges for Member Data

This project identifies and develops information exchanges to support the new line-of-business systems for active member data. An information exchange will be created between DCRB and DCHR to enroll police, fire, and teachers into the pension plan and maintain their information when their employment information changes. In addition, DCRB will explore initiating the same information exchanges, where feasible, with charter schools.

(c) Contribution-Reporting Information Exchanges

This project identifies and develops information exchanges to support the new line-of-business systems for active contribution-reporting operations. An information exchange will be created between DCRB and OPRS to track police officers', firefighters', and teachers' contributions to the pension plan and to maintain their information when their employment status changes. In addition, DCRB will explore initiating the same information exchanges, where feasible, with charter schools.

(d) STAR Information Exchanges

This project identifies and develops information exchanges to support the new line-of-business applications between DCRB and the STAR system.

(4) **Part 4: Additional Services**

At DCRB's discretion, the Offeror may be retained for additional services under this agreement. Such services shall be agreed upon and managed on a Task Order basis. Task Orders are the mechanism by which DCRB and Offeror mutually agree upon the delivery of and payment for services and deliverables.

1.04 Schedule Of Events

The following is the estimated schedule of events related to this RFP process. Dates listed below may be amended as appropriate by DCRB. Offerors will be notified of any changes via e-mail.

Activity	Scheduled Date
Release of RFP	May 9, 2008
Deadline for Questions	May 14, 2008
DCRB Response to Offerors' Questions	May 16, 2008
Proposal Due Date	May 23, 2008
Offeror Selection by DCRB Board*	June 19, 2008
Contract Negotiation and Award	TBD
Contract Execution	TBD

*subject to contract negotiations

1.05 Point Of Contact

This RFP is issued by DCRB and is subject to the Board's procurement and conflict of interest rules. Further, from the issue date of this RFP until a successful Offeror is selected and the selection is announced, there shall be no communication by Offerors with any DCRB Board or staff members other than the DCRB RFP Project Manager. Failure to comply with this provision of the procurement will result in Proposal rejection and disqualification.

The Project Manager for all matters and questions relating to this RFP is:

Name: Allison C. Kelly
Title: Quality Assurance and Project Manager
Address: District of Columbia Retirement Board
900 7th Street NW; Suite 200
Washington, D.C. 20001
Telephone: (202) 343-3237 FAX: (202) 566-5001
E-Mail: Allison.Kelly@dc.gov

1.06 Offeror Questions and RFP Amendment

All Offeror questions must be submitted in writing via e-mail to DCRB's RFP Project Manager. All questions must include the name of the firm and the name of the submitter. Responses to all questions received in proper time frames will be made in writing and distributed to all Offerors participating in this RFP.

Questions will not be accepted via telephone. No oral communication provided by any DCRB staff will be considered binding on DCRB.

Any interpretation, correction or change to this RFP will be made by an amendment issued by DCRB. Interpretations, corrections or changes to the RFP made in any other manner will not be binding.

No amendments will be issued by DCRB within 48 hours of the final submission date and time without a corresponding extension of the submission deadline.

1.07 Evaluation of Responses

The selection of the Offeror shall be based upon specific criteria. Members of DCRB's project team will evaluate the Offeror proposals and determine a score for each criterion. DCRB will select the Offeror that receives the highest aggregate score.

Criteria	Total Possible Points
Experience providing similar services to government agencies.	300
Qualifications of staff	200
Proposed Approach	200
References	100
Cost	200
Total Possible Points	1,000

DCRB will evaluate all proposals according to these criteria and make their recommendation to the Board of Trustees (the "Board"). The Board will select the winning Offeror (subject to contract negotiations) at its meeting on May 15, 2008. . This Offeror shall then be invited to negotiate a final contract with DCRB. DCRB reserves the right to terminate negotiations with the Offeror if final contract terms cannot be reached, and to award the contract to the Offeror with the next highest evaluation percentage.

II. PROPOSAL PREPARATION

2.01 General

To expedite the evaluation of Offeror responses ("Proposals"), it is essential that Offeror s follow the format and instructions contained herein. Failure to respond in this manner may render the proposal, at the sole discretion of DCRB, as unresponsive or otherwise unacceptable and may result in disqualification and the elimination of the Offeror from consideration.

DCRB will not be liable for any costs incurred by the respondents in preparing responses to this RFP or for negotiations associated with award of a contract.

It is the sole responsibility of the respondents to ensure that their responses arrive in a timely manner. DCRB reserves the right to reject any late arrivals.

All Proposals submitted become the property of DCRB and may be subject to public disclosure under the Freedom of Information Act. DCRB reserves the right to retain all Proposals submitted and to use any ideas in a Proposal regardless of whether that Proposal is selected.

2.02 Method of Submission

Offerors must submit original proposals electronically via email to the Project Manager, Allison Kelly, at Allison.kelly@dc.gov no later than 5:00 pm EDT on the RFP due date..

2.03 Proposal Format

Cover Letter

The Proposal must include a cover letter signed by an individual legally authorized to bind the applicant to both its proposal and its cost schedule. The letter is not intended to be a summary of the proposal. It must contain the following statements and information:

- "Proposal may be released in total as public information in accordance with the requirements of the laws covering same."
- "Proposal and cost schedule for all labor shall be valid and binding for one hundred and twenty (120) business days following the proposal due date and will become part of the contract that may be negotiated with DCRB."
- Company name, address, and telephone number of the firm submitting the proposal.
- Name, title, address, and telephone number of the person(s) to contact who are authorized to represent the firm and to whom correspondence should be directed.
- Offeror's Federal and State Taxpayer Identification Numbers.
- Declaration of whether Offeror is claiming District of Columbia LSDBE or Federal 8(a) status.
- "We have received the following Amendments on the dates below:" (If none, state "None".)
- "We affirm that, to the best of our knowledge and belief, we have not employed or retained any company or person, other than a bona fide employee working solely for it, to solicit or

secure this award, and that we have not paid or agreed to pay any company or person, other than a bona fide employee working solely for us, any fee, commission, percentage, gift, or any other compensation contingent upon or resulting from this award."

- "We have read, understand and will comply with all provisions of the RFP with no exceptions (or "except for the areas noted below"). If there are areas where you have an exception or unanswered question, those areas should be noted by paragraph number and the exception written in a clear manner."
- Offeror's proposal must be signed by a duly authorized person, partner or officer of the Offeror, as applicable, and evidence of such authorization must be included with the Proposal. The Offeror's legal name and form of entity must be fully stated.

Proposal Contents

Offeror *s are required to organize their Proposals into specific sections as follows and include a Table of Contents*. Each page of the Proposal must be numbered (with the possible exception of pre-printed material included in attachments), and each of the section headings listed below are to appear in the Proposal's Table of Contents.

(1) **Statement Of Understanding**

In this section, the Offeror must **summarize** the proposed services and how it meets the requirements set forth in this RFP. This section of the Offeror's Proposal must not exceed two (2) pages in length.

(2) **Assumptions, Limitations, And Constraints**

In this section, the Offeror must identify all assumptions that the Offeror made in preparing its Proposal, as well as any pertinent limitations or constraints, including any contractual exculpatory provisions and limitations on liabilities required by the Offeror. This section must contain a list of all assumptions, with a cross reference as to where in the body of the Proposal the assumption is described.

(3) **Corporate Background And Financials**

In this section, the Offeror must provide basic information about its organization to include the following:

(a) Number of years in business.

(b) Nature of business, including description of primary and secondary lines of business (if applicable).

(c) Ownership (public or private).

(d) Headquarters location and state of incorporation.

(e) Location from which this project will be completed and managed.

(f) Number and nature of subsidiaries, operating divisions, etc.

(g) Number of full time employees, contract employees, total employees.

(h) Audited financial statements and auditor's opinion letter for the past three (3) years.

(i) Identification of any lawsuits that the Offeror is a party to or has been a party to in the past five (5) years, even if such suits were settled out of court or by arbitration.

(j) Identification of any contract termination and the reason for such termination in the past five (5) years.

(k) Disclosure of any known affiliation with members of the Board or with DCRB staff.

(4) **Experience Summary**

In this part of the Proposal, the Offeror must describe its current and historical experience implementing solutions of similar scope. **Emphasis should be placed on any experience in supporting government agencies, particularly public employee retirement systems.**

(5) **Proposed Project Team**

The Offeror will provide a representative who will act as a single point of contact for all activities regarding this RFP.

For each individual proposed for this engagement, please provide a narrative with the following information:

(a) Employee name and title

(b) Proposed position on this engagement

(c) Date of hire (month and year)

(d) Degrees and certifications earned

(e) Key experience with projects of similar scope

(f) The Offeror may not substitute personnel on its project team without DCRB approval. Please describe your firm's procedures in the event that a key person assigned to this engagement leaves the firm during the project.

(6) **Project Plan**

The project plan must follow the numbering scheme outlined in the Scope of Work.

The Offeror must demonstrate an understanding of the uniqueness, complexity and scope of the project. Offerors are encouraged to set themselves apart by providing detailed descriptions of proposed tasks and activities..

(7) **Cost Plan**

The cost plan must follow the numbering scheme outlined in the Scope of Work and contain a staffing plan, to include all labor categories, the hourly rate for each labor category, and the estimated range of hours for each labor category by part and sub parts.

Compensation for services provided shall be based on a time and materials not-to-exceed basis. The not-to-exceed cap for work outlined in the Scope of Work shall be clearly identified by the Offeror.

(8) **Offeror References**

The Offeror shall demonstrate experience in comparable projects by providing at least three (3) successful project references over the last five years. **References from government agencies, especially public employee retirement systems, are of particular interest to DCRB.**

Descriptions should be limited to two (2) pages. DCRB may, with full cooperation of the references, visit client installations to observe equipment operations and consult with references.

For each reference, include:

(a) Name, address, e-mail address and telephone numbers of the client.

(b) A summary description of the scope of the project and significant work completed.

(c) The start and end dates of the project.

(d) Relevant project statistics.

(e) The original proposal cost estimate.

(f) The actual final cost.

(g) An explanation of any deviation between the original estimate and the final cost.

III. GENERAL TERMS AND CONDITIONS

3.01 Reservations

DCRB reserves the right to reject any and all bids.

DCRB is not liable for any expense incurred in the preparation, delivery or presentation of Proposals in response to this RFP.

If, prior to execution of any contract, subsequent information or circumstances indicate that such contract is not in the best interest of DCRB, the right is reserved to rescind the offer and either award the contract to another Offeror or reject all Offeror responses.

3.02 Confidentiality

Confidential Information is any and all information which is proprietary, confidential, secret or otherwise not generally known to the public, including personal and identifying information concerning participants in the Retirement Funds. Confidential Information shall not include information which, as established by credible evidence: (a) is or becomes public knowledge without any action by, or involvement of, the party receiving the Confidential Information hereunder: (b) is independently developed by the receiving party without the use of the other party's Confidential Information: (c) is already known to the receiving party at the time of disclosure under this Agreement without restriction of confidentiality: (d) is disclosed to the receiving party by a third party who is entitled to disclose it without restriction of confidentiality: or (e) the disclosing party subsequently approves for disclosure without restrictions.

Each party, on behalf of itself and its employees and agents, agrees that it and its employees and agents: (a) shall not use any Confidential Information of the other party for any purpose other than to perform its obligations under this Agreement; and (b) shall keep and maintain all Confidential Information as strictly confidential and shall not directly or indirectly transfer or otherwise disclose any such Confidential Information to any third party other than those of its employees with a need to have access thereto. Each party shall cause those of its employees and agents receiving Confidential Information of the other party to observe the terms of this Paragraph 3.02. Each party shall be responsible for any breach of this Paragraph 3.02 by any of its employees or agents.

A party shall not be liable for the disclosure of any Confidential Information if the disclosure is: (a) required by law, regulation or legal process and uses reasonable efforts to obtain assurances that, if possible, confidential treatment will be accorded such Confidential Information or (b) inadvertent despite the exercise of the same degree of care as that party takes to preserve and safeguard its own Confidential Information, provided that upon discovery thereof that party takes all reasonable steps to retrieve the inadvertently disclosed Confidential Information and that such inadvertent disclosure will not relieve that party from its continued adherence to the terms and conditions of this Paragraph 3.02.

The successful Offeror will be required to execute and submit Confidentiality Agreements before contract award. All Offeror staff members assigned to the project in any capacity will be required to sign statements of confidentiality in order to participate in the project. The Offeror must certify that criminal background checks have been conducted on all staff participating in the project.

3.03 Sole Property

All reports and documents produced in the performance of this Agreement shall be the sole property of the Board. The Offeror shall make no distribution of work specifically produced for the Board under this Agreement to others without the express written consent of the Board. The Offeror agrees not to assert any rights at common law or in equity or establish any claim to statutory copyright in such reports.

3.04 Contractual Requirements

Offerors are each responsible for complying with all statutory provisions applicable to doing business in the District of Columbia and with DCRB; however, such compliance does not limit the Board to any rights or remedies available to the Board under other general, state or local laws.

The terms, conditions, and specifications of the RFP, the successful Offeror's response, the completed and executed Service Agreement (see sample Service Agreement in Appendix C) and all RFP amendments (if any) will comprise the entire agreement between DCRB and the successful Offeror.

All Offeror Proposals, including prices, will remain in effect for a minimum of one hundred and twenty (120) days after the Proposal due date.

3.05 Contract Payments

Offeror must agree to a method of payment that ties its remuneration to development and acceptance of deliverables as identified within the approved project work plan. Payments will be made under the contract to the successful Offeror upon successful completion and written acceptance by DCRB

There will be no payments made for partial delivery within a contracted project deliverable. Offeror shall require written acceptance of completion from DCRB for each step prior to receiving payment. Offeror may then bill DCRB for remuneration tied to that step.

3.06 Cancellations

In the event provisions of this RFP are violated by the Offeror, DCRB may give written notice to the Offeror stating the deficiencies. Unless deficiencies are corrected within five (5) working days, DCRB reserves the right to issue an immediate termination notice in writing to the Offeror.

3.07 Inspection and Acceptance

DCRB shall at all times have access to the work at every phase of the project.

Prior to final acceptance, Offeror shall provide DCRB with a final checklist of all tasks successfully completed.

IV. APPENDIX A – TRANSFORMATION PLAN OVERVEW

Transformation Project Planning Overview

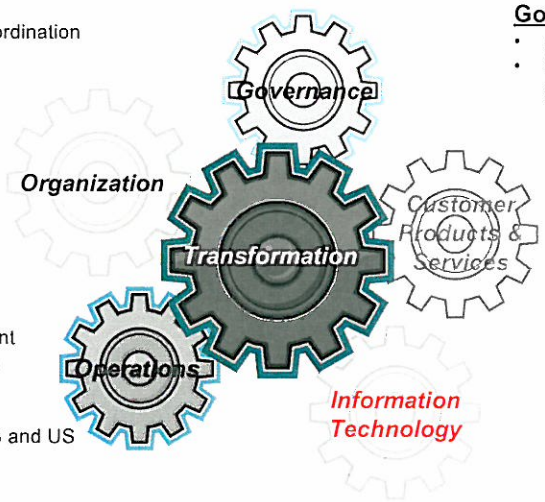
Transformation (A)
- Strategic Plan (Board)
- Transformation Plan
- Customer Services & Product Plan
- Governance Plan
- Organization Capability Plan
- Operations Plan
- Information Technology Plan

Plan Execution and Coordination
- Transformation plan execution coordination
- Operate a steering committee

Management of Change
- Management of change plan
- Communication management

Organization Capability (C)
- DCRB capacity assessment and development plan
- Communications organization
- Transformation program office
- Benefits administration - new functions
- Accounting administration
- Co-locate PFR&RB with DCRB
- Develop IT support organization

Governance (B)
- Align policies and procedures
- Establish district DB pension governance group



Operations (D)

Benefits Administration Operations
- Active member management
- Post retirement benefits management
- Term-vested benefits administration

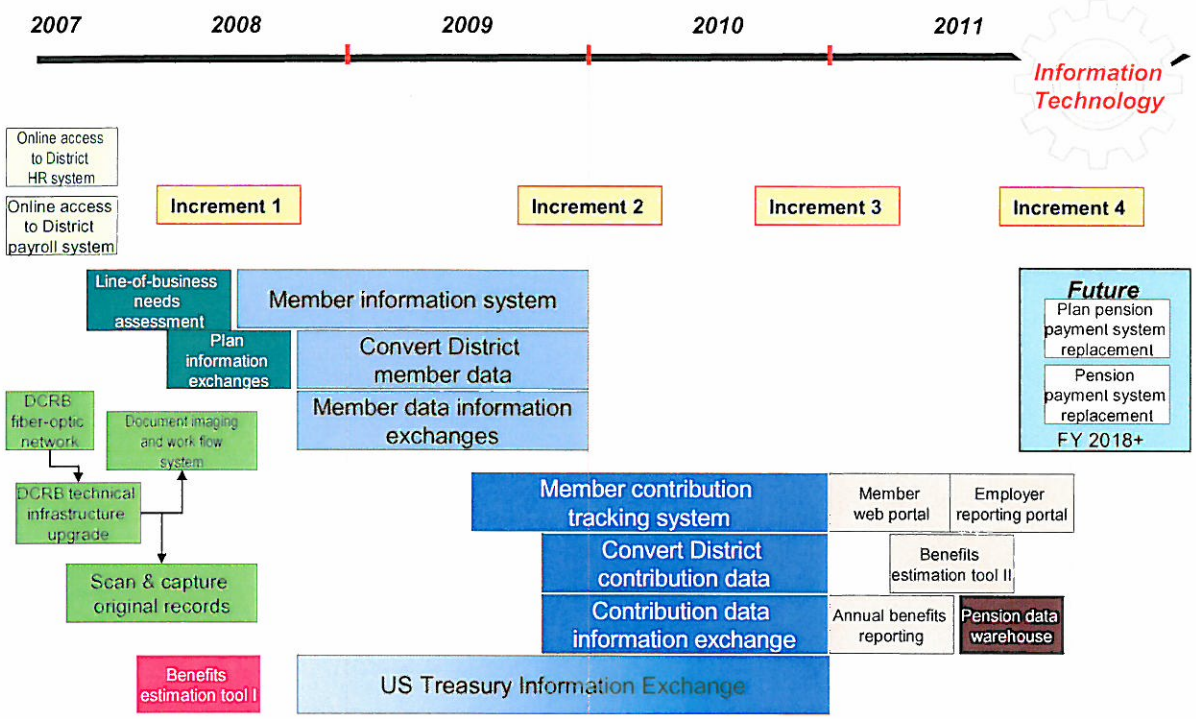
Accounting Operations
- Contribution reporting accounting.
- Grand reconciliation between DCRB and US Treasury Records

Information technology operations
- IT management and operations

Customer Services and Products (E)
- Retirement saving plans program
- Member call and query management
- Retirement training and planning
- Employee web site and estimate calculator

V. APPENDIX B – TECHNOLOGY ROADMAP

TECHNOLOGY ROADMAP OVERVIEW



VI. APPENDIX C - SAMPLE SERVICE AGREEMENT

SERVICE AGREEMENT
BETWEEN
THE DISTRICT OF COLUMBIA RETIREMENT BOARD
AND
SELECTED OFFEROR

AGREEMENT, made this ____ day of May, 2008, between the **DISTRICT OF COLUMBIA RETIREMENT BOARD** (the "Board"), an independent agency of the government of the District of Columbia and [FIRM NAME]. ("Consultant"), a consulting firm with its principal place of business located in Washington, D.C.

WITNESSETH

WHEREAS, under the District of Columbia Retirement Reform Act (Public Law 96-122; 93 Stat. 866) as amended (the "Reform Act"), the Board has exclusive authority to manage and control the assets of the District of Columbia Police Officers and Firefighters' Retirement Fund, and the District of Columbia Teachers' Retirement Fund (collectively, the "Retirement Funds"), and

WHEREAS, the Council of the District of Columbia adopted a Replacement Plan, the "Police Officers, Fire Fighters, and Teachers Retirement Benefit Replacement Plan Act of 1998" (D.C. Official Code §1-901.1 et. seq.), effective September 18, 1998 ("Replacement Plan Act") for pension benefits earned on or after July 1, 1997, under which the Board is required, among other things, to determine the amounts of any payments for annuities or other retirement or disability benefits to be made from the Retirement Funds, and

WHEREAS, the Board is authorized to enter into contracts for the services necessary to carry out its responsibilities and desires to retain the services of the Consultant in regard to the planning and implementation of the elements of a 5-year Technology Roadmap, and to enhance the Retirement Funds' pension administration operations, and

WHEREAS, the Board has evaluated firms which offer professional services for public pension systems and has determined that: (a) Consultant is qualified and capable of providing the services required, (b) Consultant's fee for services is competitive, fair and reasonable, and (c) engaging Consultant for the purposes stated herein is in the best interest of the participants and beneficiaries of the Retirement Funds, and

WHEREAS, the Consultant is willing to provide services to the Board on the terms and conditions set forth hereunder, and has represented to the Board that it possesses the highest degree of competence and expertise essential to provide such services.

NOW THEREFORE, in consideration of the covenants and promises herein recited, the parties agree as follows:

1. SCOPE OF WORK

Consultant shall provide professional services to assist in the planning, management, and implementation of the 5-year Technology Roadmap initiatives that support DCRB operations as described in the RFP appended hereto and reflected in the attached Work Plan.

2. REPORTS AND RECORDS

2.1. Report. The Consultant shall provide such reports to the Board as contemplated in the Work Plan (Attachment #3) and shall make representatives available to meet with the Board, at the Board's discretion, to discuss the status of the reports and the services that are to be rendered by the Consultant pursuant to this Agreement.

2.2. Sole Property. All reports and documents produced in the performance of this Agreement shall be the sole property of the Board. The Consultant shall make no distribution to others of work specifically produced for the Board under this Agreement without the express written consent of the Board. The Consultant agrees not to assert any rights at common law or in equity or establish any claim to statutory copyright in such reports.

2.3. Consultation. During the term of this Agreement, a representative of the Consultant shall be available during regular business hours to furnish advice or report to the Board, including the Staff of the Board, with respect to all matters contemplated by this Agreement.

3. COMPENSATION

The Consultant shall receive compensation for its services in the amount of $XXX,XXX dollars, according to the Cost Schedule outlined in Attachment 1. The final payment shall be made upon completing the Work Plan in a manner that is acceptable to the Board in its sole discretion. Any deviation from this cost shall only be upon mutual written agreement by both parties.

4. NOTICES AND ADMINISTRATION

4.1. The Contract Administrator for this contract shall be the Executive Director of the District of Columbia Retirement Board. The Consultant shall submit an invoice to the Contract Administrator or his designated representative upon the Consultant's satisfactory completion (as indicated in paragraph 3 above) of the Project described in the Work Plan.

4.2. All instructions, notices, demands or other communications to be given by either party to the other party under this Agreement shall be in writing, shall be given by first class, certified or registered mail, by a recognized courier service that maintains written verification of actual delivery, by facsimile, with the original thereof sent by first class mail, postage prepaid, or messenger. Such communication shall be sufficient and effective when received by the parties as follows:

4.2.1. To the Board:

District of Columbia Retirement Board
900 7th Street, NW; 2nd Floor
Washington, D.C. 20001
Attention: Eric Stanchfield, Executive Director and Chief Contracting Officer
(202) 343-3200 (telephone)

(202) 566-5000 (fax)

4.2.2. To the Consultant:

[FIRM NAME].
[ADDRESS]
Washington, DC 20001
Attention: [BINDING NAME], [TITLE]
() phone
() fax

4.3. Names and addresses designated for receipt of notices may be changed at any time with appropriate notice in accordance with the foregoing.

5. TERM AND TERMINATION

This Agreement may be terminated by the Board at any time and for any reason upon written notice to the Consultant, or by the Consultant upon thirty (30) days' written notice to the Board.

6. STANDARD OF CARE

In carrying out the requirements of this Agreement, the Consultant will discharge all of its duties and responsibilities under this Agreement with the care, skill, prudence and diligence under the circumstances that a prudent expert acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, unless it is clearly imprudent to do so.

7. ASSIGNMENT / SUBCONTRACTING

The Consultant shall not assign its rights or duties under this Agreement in whole or in part without first obtaining the written consent of the Board. In the event, the Offeror wishes to bring in additional expertise to assist with the scope of work, the Offeror, upon agreement and approval of the Board, may sub-contract additional resources. DCRB will not deal with any subcontractors. The Offeror will act as the single point of contact to the Board. The Offeror will be the prime contractor and assume responsibility for all actions and work performed by a subcontractor. All terms, conditions, and requirements of this contract shall apply without qualification to any services by any subcontractor of the Offeror.

8. INDEMNIFICATION

The Consultant hereby agrees to hold harmless the Board, its members, officers, employees, agents and representatives, and the District of Columbia Government, and to indemnify and exonerate same against and in respect of any and all claims, demands, damages, actions, costs, charges, losses, liabilities, and deficiencies, including legal fees and expenses, resulting from, arising out of, or in any way related to: (a) any untrue warranty or representation or omission of the Consultant in this Agreement; and/or (b) any liens, claims, or encumbrances on, or any infringement of, any patent, trademark, copyright, or other proprietary right caused by the Consultant; and/or (c) the Consultant's willful misfeasance, bad faith, negligence or reckless disregard of its obligations

under the terms of the Agreement; provided that a court of competent jurisdiction finds that the Consultant was in breach of the aforesaid obligations, or such finding is made by a mutually agreed upon arbitration panel.

9. GOVERNING LAWS

This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia, without regard to conflict of laws provisions.

10. SEVERABILITY

The parties intend that each provision of this Agreement is severable. If any provision or term hereof is determined, for any reason whatsoever, to be illegal or otherwise unenforceable, such determination shall not affect the validity of the remaining provisions and terms hereof.

11. AMENDMENT

This Agreement, in conjunction with the RFP and the Consultant's response, constitutes the entire agreement of the parties to this Agreement, and may not be modified or amended except by a writing mutually agreed to, and duly executed by each party. All other previous communications between the parties whether written or oral, with reference to the subject matter of this Agreement, are hereby rescinded and superseded.

12. TASK ORDERS

Task Orders are the mechanism by which DCRB and Offeror mutually agree upon the delivery of and payment for services and deliverables. Task orders shall specify and include the following information, and shall follow the below-listed sequential procedure:

1. The name of the Customer Project Director requesting the Task Order and the name(s) of any other person(s) who may be contacted during any phase of the performance of work related to the Task Order, to include the names of Customer steering committee members involved with the implementation of the Task Order.
2. A description of the task to be performed.
3. A copy of the response by the Offeror shall be provided to the Customer.
4. Customer may accept or reject Offeror's proposed cost for the performance of task and cost negotiations may ensue.
5. Prior to Offeror performing the specified task, the agreed-upon price for such work shall be specified in writing within the Offeror's response and agreed to by the Customer as evidenced by the signature of the Customer Project Director and the Offeror being affixed to the Offeror response portion of the task order.
6. Pricing, deliverables, and services established by a Task Order or a Task Order amendment shall not change throughout the completion of the Task Order, unless a Task Order amendment makes a cost or scope change,

13. PROTECTION OF CONFIDENTIAL INFORMATION.

A Party may designate information to be provided to the other Party as Confidential Information. Each Party, on behalf of itself and its employees and agents, agrees that it and its

employees and agents: (a) shall not use any Confidential Information of the other Party for any purpose other than to perform its obligations under this Agreement; and (b) shall keep and maintain all Confidential Information as strictly confidential and shall not directly or indirectly transfer or otherwise disclose any such Confidential Information to any third party other than those of its employees with a need to have access thereto. Each Party shall cause those of its employees and agents receiving Confidential Information of the other Party to observe the terms of this Article 12. Each Party shall be responsible for any breach of this Article 12 by any of its employees or agents.

14. SPECIAL PROVISIONS

14.1. The rights and remedies provided herein are cumulative and are in addition to any remedies otherwise available to the Board in law or in equity and the exercise of any one or more of such remedies shall not be construed as a waiver of any other right or remedy.

14.2. The Consultant agrees to do all acts and execute all other papers, documents, or instruments necessary or desirable to effectuate the purposes of this Agreement.

14.3. The representations and warranties contained in this Agreement shall survive the termination of this Agreement.

14.4. The Consultant shall notify the Board as soon as possible of any material change in the personnel of the Consultant's organization either directly involved with the performance of services under this Agreement or who could adversely affect the performance of services under this Agreement.

14.5. The Consultant warrants and represents that it maintains a Disaster Preparedness Recovery Plan commensurate with industry standards and will provide a copy of such Plan as may be requested by the Board.

14.6. The Consultant understands and acknowledges that the Board is subject to the District of Columbia Freedom of Information Act and consents to the disclosure of any information, recommendations and advice received by the Board from the Consultant if such information, recommendation, and/or advice are subject to disclosure under applicable Freedom of Information Act provisions. The Board agrees to use reasonable efforts to give notice of any demand for disclosure to the Consultant, as soon as is reasonably practicable after demand for disclosure is made upon the Board.

14.7. The failure of either party hereto to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of the future performance of any such term, covenant or condition by the other party hereto, but the obligation of such party with respect to such future performance shall continue with full force and effect.

14.8. The captions or headings contained in this Agreement are inserted and included solely for convenience and shall never be considered or given any effect in construing the provisions hereof if any question of intent should arise.

14.9. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same Agreement.

14.10. The Consultant represents that each person executing this Agreement on behalf of the Consultant is authorized to do so.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the date last written below.

For: **DISTRICT OF COLUMBIA RETIREMENT BOARD**

By: _____ Date: _____
Chairman

By: _____ Date: _____
Treasurer

For: **[OFFEROR]**

By: _____ Date: _____
Authorized Signatory