



# **REQUEST FOR PROPOSAL**

**COMPETITIVE SEALED PROPOSAL FOR  
PROFESSIONAL SERVICES TO DEVELOP A  
RETIREMENT TECHNOLOGY ROAD MAP  
FOR  
THE DISTRICT OF COLUMBIA RETIREMENT BOARD**

**October 2, 2006**

# TABLE OF CONTENTS

<b>I. OVERVIEW .....</b>	<b>3</b>
1.01 General Background.....	3
1.02 RFP-Related Background.....	4
1.03 Scope Of Work.....	4
(1) Part 1: Retirement Technology Road Map .....	4
(2) Part 2: Additional Services .....	6
1.04 Schedule Of Events .....	6
1.05 Point Of Contact.....	7
1.06 Pre-Bidders' Conference and Tour of DCRB Offices .....	7
1.07 Bidder Questions and RFP Amendment.....	8
1.08 Evaluation of Responses.....	8
<b>II. PROPOSAL PREPARATION .....</b>	<b>9</b>
2.01 General .....	9
2.02 Method of Submission.....	9
2.03 Proposal Format .....	9
(1) Statement Of Understanding.....	10
(2) Assumptions, Limitations, And Constraints .....	10
(3) Corporate Background And Financials.....	10
(4) Experience Summary .....	11
(5) Proposed Project Team.....	11
(6) Project Plan.....	11
(7) Cost Plan.....	12
(8) Bidder References.....	12
<b>III. GENERAL TERMS AND CONDITIONS .....</b>	<b>13</b>
3.01 Reservations .....	13
3.02 Confidentiality .....	13
3.03 Sole Property .....	14
3.04 Contractual Requirements .....	14
3.05 Contract Payments / Holdbacks.....	14
3.06 Cancellations .....	14
3.07 Inspection and Acceptance .....	14
<b>IV. APPENDIX A – PROCESSING STATISTICS.....</b>	<b>16</b>
<b>V. APPENDIX B – BENEFITS ADMINISTRATION TIMELINE.....</b>	<b>17</b>
<b>VI. APPENDIX C – EXISTING DCRB LAN/WAN ARCHITECTURE.....</b>	<b>18</b>
<b>VII. APPENDIX D - DCRB CURRENT TECHNOLOGY .....</b>	<b>19</b>
<b>VIII. APPENDIX E - SAMPLE SERVICE AGREEMENT .....</b>	<b>20</b>

# **I. OVERVIEW**

## **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).

In December 2002, ODCP implemented the System to Administer Retirement (STAR), a customized version of PeopleSoft’s off-the-shelf software for human resources, pensions, and payroll administration. The first release of STAR was implemented to calculate benefits and maintain data for the Judicial Retirement Fund for judges of the District courts (for which the US Treasury Department currently has exclusive responsibility). STAR Release 2, which was completed in September 2003, was implemented to maintain retirements for the approximately 11,000 District police officers, firefighters, and teachers who retired prior to July 1, 1997. STAR Release 3, which was completed in August 2005, was implemented to maintain retirements for the participant population (of approximately 3,000) that was hired between July 1, 1997 and August 2005 (for which the District is responsible), and to give STAR the capability to process new retirements that would occur during and after August 2005. STAR Release 4, which is currently under way (and is scheduled to be completed on June 1, 2007), is being implemented to upgrade STAR from PeopleSoft version 8.0 to version 8.9, and to give STAR the capability to calculate benefit amounts that were accrued before and on/after July 1, 1997 so the benefits can ultimately be paid from the appropriate Trust. (Note: Annuitants receive one check per month, regardless of whether their benefits’ financial obligations exist with the Federal government, the District, or a combination of the two). For detailed processing statistics, see Appendix A.

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 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**

DCRB has conducted its own internal research since the beginning of 2006, consulting with other public retirement systems and technology solutions providers. The end-result of this review is a very broad and general vision which is summarized in Appendix B: Benefits Administration Timeline. This is DCRB's vision of potential steps in preparation for its ultimately becoming responsible for the entire Retirement Administration system. The graphic illustrates the unique financial relationship between the Treasury Department and DCRB, and the latter's increasing financial obligation over time.

In addition to the economic issues, a long-range plan must also take into account DCRB's unique interaction with other government agencies (collectively known as the "Stakeholders"), including US Treasury, OPRS, and the relevant HR and Personnel departments and retirement-related Boards associated with the Metropolitan Police Department, Fire and Emergency Services and the Board of Education. DCRB views bidders as subject-matter experts who understand the business models of public retirement systems and who will ultimately guide DCRB in developing a phase-by-phase technology implementation plan.

The Scope of Work details the requirements for the successful completion of a Retirement Technology Road Map. The Roadmap must provide a sound foundation for future benefit and retirement administration system implementations.

## **1.03 Scope Of Work**

### **(1) Part 1: Retirement Technology Road Map**

#### **(a) Defining Overall Project Phases and Developing a Timeline**

- 1) The successful Bidder will develop a Retirement Technology Road Map (the "Road Map") based upon the vision expressed in Appendix B. Some of the broad questions to be addressed are:
  - o How many technology phases should be considered in achieving the end result of a fully automated and potentially independent retirement system?

- Assuming a phased implementation, what technology options would each phase entail? This response requires a review and analysis of all technology options DCRB might consider in the implementation of each Phase.
- What is the most probable timeline for each phase and for the overall project?
- What are the challenges that DCRB might face during each phase?
- What DCRB resources would be required for each phase?
- What external resources would be required for each phase?
- How would technology implementations of each phase offer DCRB enhanced functionality through the ability to interface with external stakeholders, including plan participants?
- What are implementation cost ranges for each phase?
- Who do you consider to be your competitors related to projects of this nature?
- What distinguishes your approach from those of your competitors?

Each phase shall take into account the ability to interface with the existing DCRB Information Technology infrastructure (see Appendix C). **Technology implementations of each Phase shall be functional, scalable and offer seamless integration with systems in subsequent phases.**

- 2) DCRB currently relies on paper files and must convert to an electronic filing scheme and automate certain functions as soon as administratively feasible. The Bidder must address the viability of implementing these solutions as part of the first phase of the solution outlined in subparagraph 1) above, or provide an alternative solution. These processes include:

- the ability to scan documents into an electronic jacket, with all such jackets stored and easily retrievable from an image repository,
- the ability to seamlessly import and absorb current electronic jackets from an existing archive, maintaining or replacing the current indexing scheme,
- the ability to manage these electronic jackets or “cases” according to a workflow that is based upon DCRB’s business processes,
- the ability for customer service staff to access a caller’s electronic file easily and quickly (e.g., at the touch of a button),
- the ability to assign calls to Benefits Department staff in a call workflow (i.e., Contact Center) environment, and
- completion of backfile imaging for ninety (90) five-drawer file cabinets (approximately two hundred and twenty five (225) linear feet of documents).

**In addition, integration among recommended systems must be seamless at the user level.**

The Bidder must also consider how Stakeholders and annuitants/participants can interface with these technologies.

#### (b) Post-Implementation Support For Each Phase

Bidders shall present options for ensuring post-implementation support after each phase is completed. This will include the pros and cons of obtaining a support contract with an outside entity, the potential need to hire additional DCRB internal support staff, or a combination of the two. Examples of approaches utilized by other public retirement systems shall also be included as a key component of this section.

(c) Information Technology Infrastructure and Technical Dependency Review.

1) Analysis of DCRB's Current Information Technology Infrastructure

Bidder shall conduct an analysis of DCRB's current technology infrastructure (see Appendix D) and determine whether it sufficiently anticipates future technology needs of the entire agency.

Bidder shall identify and prioritize potential concerns DCRB may need to address currently or in the foreseeable future.

Finally, in this section, Bidder shall identify what technology components in the initial phase may need to be "overbuilt" to accommodate the future needs of the entire agency.

2) Dependency on DC Government's Technology Infrastructure

An overview of DCRB's current infrastructure is included in Appendix C. The Bidder shall analyze DCRB's dependency on the DC Government's technology infrastructure, such as network connections, firewall/router/switch administration, Internet connectivity, E-mail system, desktop antiviral protection and participation in District government-wide software-related Enterprise Agreements, Software Assurance programs and volume licensing.

Bidder shall develop a summary of the advantages and disadvantages of this technical dependency for DCRB's review.

Bidder will provide a recommendation as to whether DCRB should or should not pursue a strategy to become more independent of the DC network, at what time in the overall Road Map this would be appropriate, in what phase(s) that strategy should be implemented, and a cost/benefit analysis of this increased independence.

The ability of DCRB's future technology systems (including those implemented in the initial phase) to interface with Stakeholders and annuitants may be affected by this dependency on DC Government's technology infrastructure. This dependency must be considered at all times during the project.

(2) **Part 2: Additional Services**

- (a) This section may be used to suggest additional services Bidder feels DCRB may consider for inclusion in this overall project.
- (b) Bidder shall provide DCRB with a list of labor categories and bill rates for additional services that DCRB may incur related to those future services.

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. Bidders will be notified of any changes via e-mail.

<b>Activity</b>	<b>Scheduled Date</b>
Release of RFP	Monday, October 2, 2006
Deadline for Initial Questions	Monday, October 9, 2006
Mandatory Pre-Bidders' Conference in Washington, DC	Thursday, October 12, 2006 10 a.m.
Deadline for Additional Questions	Tuesday, October 17, 2006
DCRB Response to Bidders' Questions	Monday, October 23, 2006
<b>Proposal Due Date</b>	<b>Thursday, November 3, 2006</b>
Presentation by finalists to DCRB Benefits Committee in Washington, DC	Thursday, December 7, 2006
Bidder Selection by DCRB Board*	Thursday, December 21, 2006
Contract Negotiation and Award	To be Determined by DCRB
Contract Execution	To be Determined by DCRB

\*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 Bidder is selected and the selection is announced, there shall be no communication by Bidders 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 Kelly  
 Title: Quality Assurance and Project Manager  
 Address: District of Columbia Retirement Board  
 900 7<sup>th</sup> Street NW; Suite 200  
 Washington, D.C. 20001  
 Telephone: (202) 343-3237 FAX: (202) 566-5001  
 E-Mail: Allison.Kelly@dc.gov

### 1.06 Pre-Bidders' Conference and Tour of DCRB Offices

A mandatory Pre-Bidders' Conference will be held at DCRB's offices in Washington, D.C. at the time and date specified above. All interested Bidders **must** attend this meeting, either via conference call or in person. During the Pre-Bidders' Conference, DCRB staff will conduct a tour of their facility for those who attend in person. This will be the only opportunity available to Bidders for touring DCRB offices.

All Bidders must identify, via e-mail, how many representatives will participate in the conference either in person or via conference call. Attendance is limited to three (3) individuals from each Bidder organization. Conference call instructions will be provided upon receipt of affirmative e-mails.

## **1.07 Bidder Questions and RFP Amendment**

All Bidder 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 Bidders 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.*

## **1.08 Evaluation of Responses**

Proposals will be evaluated based on the following weighted percentages:

- Compliance with bid submission format – 10%
- Depth of detail and elaboration in project plan – 30%
- References – 15%
- Prior experience with projects of similar scope and scale – 15%
- Cost Plan – 30%
- Exculpatory provisions relieving or limiting Bidder liability to the Board – (25%)

DCRB will select up to four (4) Bidder finalists, who will be required to give a presentation to the DCRB Benefits Committee (the "Committee") on the meeting date specified in Section 1.04. The Board of Trustees (the "Board") will select the winning Bidder (subject to contract negotiations) at its meeting on December 21, 2006. This Bidder shall then be invited to negotiate a final contract with DCRB. DCRB reserves the right to terminate negotiations with Bidder if final contract terms cannot be reached, and to award the contract to the bidder with the next highest evaluation percentage.



## II. PROPOSAL PREPARATION

### 2.01 General

To expedite the evaluation of Bidder responses (“Proposals”), it is essential that Bidders 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 Bidder 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

Bidders must submit twelve (12) copies and one (1) original of their Proposal. The following information must appear on the title page of each Proposal:

RFP Title: DCRB Retirement Technology Solution

Offer Date: October 2, 2006

Bidder Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Bidder Address: \_\_\_\_\_

Bidder Telephone: \_\_\_\_\_

***ATTENTION: Allison Kelly, Quality Assurance and Project Manager***

### 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.
- Bidder’s Federal and State Taxpayer Identification Numbers.
- Declaration of whether Bidder 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.”
- Bidder’s proposal must be signed by a duly authorized person, partner or officer of the bidder, as applicable, and evidence of such authorization must be included with the Proposal. The bidder’s legal name and form of entity must be fully stated.

## **Proposal Contents**

*Bidders 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 Bidder must **summarize** the proposed solution and how it meets the requirements set forth in this RFP. This section of the Bidder’s Proposal must not exceed two (2) pages in length.

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

In this section, the Bidder must identify all assumptions that the Bidder 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 Bidder. 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 Bidder 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 Bidder 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 Bidder 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 Bidder 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 Bidder 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 Bidder must demonstrate an understanding of the uniqueness, complexity and scope of the project. Bidders are encouraged to set themselves apart by providing detailed descriptions of tasks to be included.

(7) **Cost Plan**

*The cost plan must follow the numbering scheme outlined in the Scope of Work and contain the following information for each part and subpart:*

- Staffing plan, including all labor categories, the hourly rate for each labor category, and the estimated range of hours for each labor category.
- A list of tasks to be performed in each part and subpart.

Compensation for services provided shall be based on a time and materials not-to-exceed basis. The not-to-exceed cap for the entire project in the Cost Plan shall be clearly identified by the Bidder.

(8) **Bidder References**

The Bidder 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 Bidder or reject all Bidder 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 Bidder will be required to execute and submit Confidentiality Agreements before contract award. All Bidder 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 Bidder 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 Bidder 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 Bidder 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**

Bidders 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 Bidder's response, the completed and executed Service Agreement (see sample Service Agreement in Appendix E) and all RFP amendments (if any) will comprise the entire agreement between DCRB and the successful Bidder.

All Bidder 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 / Holdbacks**

Bidder must agree to a method of payment that ties its remuneration to implementation and acceptance of deliverables as identified within the approved project work plan. Payments will be made under the contract to the successful Bidder upon successful completion and written acceptance by DCRB in three (3) steps:

1. Upon completion of Part 1 of the Scope of Work. (50%)
2. Upon completion of Part 2 of the Scope of Work (25%)
3. Final completion and acceptance. (25%)

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

DCRB reserves the right to a 15% holdback per step prior to final acceptance of the project.

### **3.06 Cancellations**

In the event provisions of this RFP are violated by the Bidder, DCRB may give written notice to the Bidder 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 Bidder.

### **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, Bidder shall provide DCRB with a final checklist of all tasks successfully completed.

## IV. APPENDIX A – PROCESSING STATISTICS

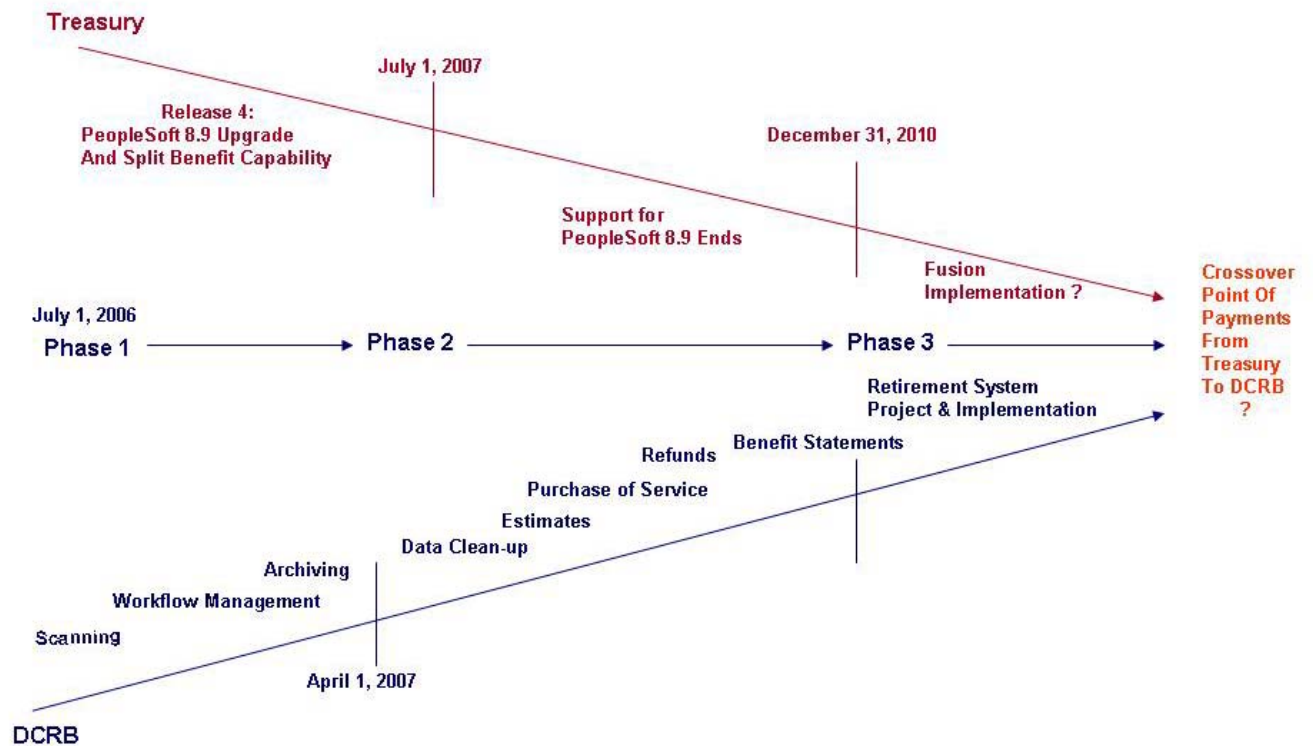
	2005			2006								
Element	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Totals
Total # Payments				13515	13509	13504	13506	13487	13483	13430	13528	
Pmts in 90 Days				43%	94%	81%	89%	50%	100%	60%	97%	
New Retirees	29	7	26	9	16	31	9	10	9	6	88	240
Survivors	18	3	13	8	12	10	11	14	13	7	11	120
Beneficiaries	*	13	14	21	16	21	15	18	26	4	29	177
Refunds	3	45	20	37	37	25	38	13	32	15	39	304
Stop Payments	20	61	51	47	42	39	38	33	29	39	30	429
Direct Deposits	113	51	76	50	65	81	62	33	26	24	107	688
QDROs	0	1	0	0	1	1	2	1	3	1	0	10
Purchase of Service	0	0	4	3	7	17	3	14	10	6	15	79
Tax Withholding Changes	151	114	147	137	109	181	224	182	133	109	200	1687
Phone Calls	1525	1707	1908	1848	1815	2099	1712	1520	1275	1318	1470	18197
Walk-Ins	27	42	78	44	52	62	66	49	35	44	60	559
Pieces of Mail	508	472	818	564	594	748	662	670	262	605	737	6640

\*Included in survivors number.

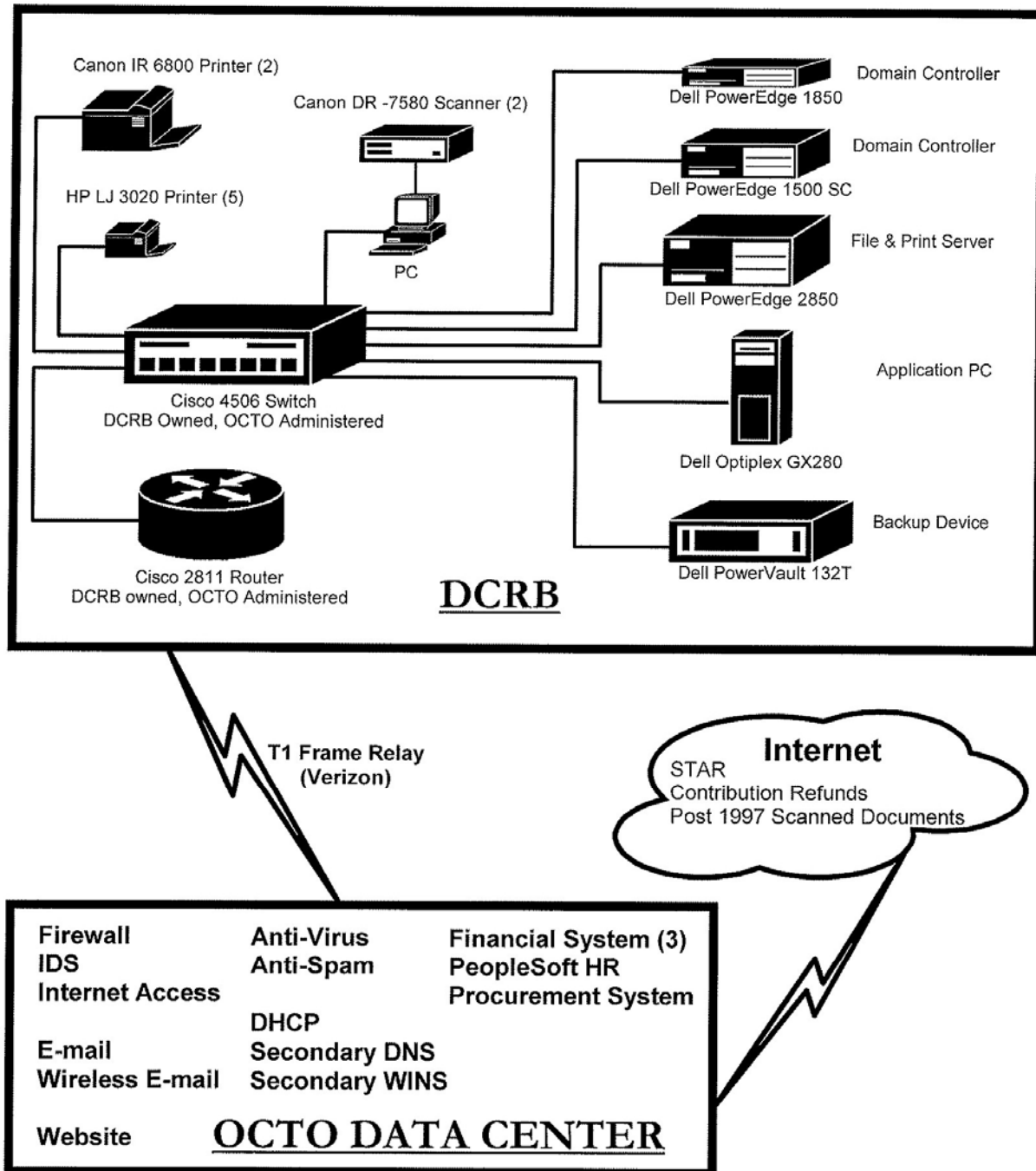
The numbers in this chart do not represent the increased processing due to annual Teacher retirements in June. This represents an average increase of 150 retirements during August and September.



## V. APPENDIX B – BENEFITS ADMINISTRATION TIMELINE



## VI. APPENDIX C – EXISTING DCRB LAN/WAN ARCHITECTURE



## **VII. APPENDIX D - DCRB CURRENT TECHNOLOGY**

### **Server OS:**

Windows Server 2003

### **Desktop:**

Make and Model: Dell Optiplex GX620

OS: Windows XP Professional

No remote access to LAN

Access to e-mail via Web using http

## **VIII. APPENDIX E - SAMPLE SERVICE AGREEMENT**

### **SERVICE AGREEMENT BETWEEN THE DISTRICT OF COLUMBIA RETIREMENT BOARD AND SELECTED BIDDER**

**AGREEMENT**, made this \_\_\_\_ day of \_\_\_\_\_, 2006, between the **DISTRICT OF COLUMBIA RETIREMENT BOARD** (the “Board”), an independent agency of the government of the District of Columbia and The Selected Bidder, (“Consultant”), a technical consulting firm with its principal place of business located in [City, State].

#### **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 an assessment of technology to upgrade and enhance the Retirement Funds’ pension administration operations, and

**WHEREAS**, the Board solicited bids in an open process for providing technology assessment services; and

**WHEREAS**, the Board has evaluated firms which offer technology assessment services for public pension systems and has determined that: (a) Consultant is qualified and capable of providing the technology assessment 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 providing such services.

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

## **1. SCOPE OF WORK**

Consultant shall perform an assessment of the retirement administration technology currently used in Retirement Funds' operations as described in the RFP appended hereto and reflect in the attached workplan.

## **2. REPORTS AND RECORDS**

2.1 Report. The Consultant shall provide such reports to the Board as contemplated in the Workplan 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 of work specifically produced for the Board under this Agreement to others 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 \$xxxxx as outlined in the RFP, the final payment of which shall be made upon completing the workplan in a manner that is acceptable to the Board in its sole discretion.

## **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 upon the Consultant's satisfactory completion (as indicated in paragraph 3 above) of the Project described in the Workplan.

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:**

900 7th Street, NW, 2<sup>nd</sup> Floor  
Washington, D.C. 20005  
Attention: Executive Director and Contract Administrator

Tel: (202) 343-3200 · Fax: (202) 566-5000

#### **4.2.2 To the Consultant:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**

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.

### **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, encumbrances, or infringement of any patent, trademark, copyrights, or other proprietary right 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.

## **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 is intended to be a complete and exclusive statement of their 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. SPECIAL PROVISIONS**

12.1 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.

12.2 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.

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

12.4 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.

12.5 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.

12.6 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.

12.7 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.

12.8 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.

12.9 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.

12.10 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: \_\_\_\_\_  
Acting Executive Director/  
Chief Contracting Officer

For: **[BIDDER]**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Authorized Signatory