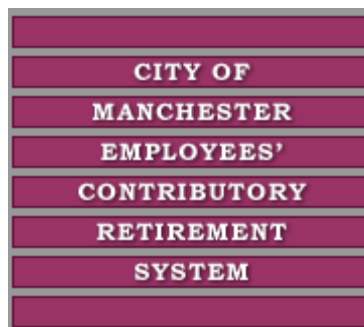


# **Manchester Employees' Contributory Retirement System**

## **Request for Proposal**

**RFP# MECRS 2017-01**

**May 19, 2017**



## **TABLE OF CONTENTS**

<b>1.0</b>	<b>GENERAL INSTRUCTIONS TO VENDORS</b>	<b>Page 4</b>
1.1	Purpose	Page 4
1.2	Proposal Inquiries	Page 4
1.3	Proposal Requirements	Page 5
1.4	Proposal Submission	Page 5
1.5	Terms of Submission	Page 5
1.6	Sole Source Responsibility	Page 5
1.7	Selection, Notification and Contract Award	Page 6
1.8	Liability	Page 6
1.9	Non-Commitment of the Manchester Employees' Contributory Retirement System	Page 6
<b>2.0</b>	<b>GENERAL INFORMATION</b>	<b>Page 7</b>
2.1	Introduction	Page 7
2.2	Background and Overview	Page 8
<b>3.0</b>	<b>FUNCTIONAL SYSTEM REQUIREMENTS</b>	<b>Page 10</b>
3.1	Overview	Page 10
3.2	Current Environment	Page 13
3.3	Work to be Performed by the Vendor	Page 14
<b>4.0</b>	<b>PROPOSAL EVALUATION, SELECTION AND AWARD PROCESS</b>	<b>Page 17</b>
4.1	Procurement Schedule	Page 17
4.2	Evaluation Process	Page 17
4.3	Evaluation Criteria	Page 17
4.4	Rejection	Page 18

4.5	Alternative Proposals	Page 18
4.6	Public Disclosure	Page 18
4.7	Return of Proposal Materials	Page 18
4.8	Negotiation and Contract Award	Page 18
4.9	Term of Contract	Page 19
4.10	Payment Schedule	Page 19
4.11	Personnel	Page 19
<b>5.0</b>	<b>PROPOSAL FORMAT</b>	<b>Page 21</b>
5.1	Transmittal Letter	Page 21
5.2	Executive Summary	Page 21
5.3	Technical Approach	Page 21
5.4	Project Plan	Page 23
5.5	Project Costs	Page 24
5.6	Statement of Vendor Qualifications	Page 25
5.7	Vendor References	Page 25
5.8	Statement of Assumptions	Page 25

## **1.0 GENERAL INSTRUCTIONS TO VENDORS**

### **1.1 Purpose**

This Request for Proposal (RFP) has been issued by the Manchester Employees' Contributory Retirement System (MECRS) to determine features and functionality of available custodial banking services as a potential replacement for an existing provider. The scope of services include: custody of investment assets in separate accounts managed by third party investment management firms, monitoring and reporting of group account investments where the actual location of custody is determined by the third party group account manager, acquisition and tracking of Exchange Traded Funds (ETFs) and/or Institutional Mutual Fund Shares, remote check depositing, accounts payable batch process payment generation, with the option for electronic or paper check payments, and lump sum and monthly retiree check processing and tax reporting. A physical banking presence in Manchester, New Hampshire is not a requirement.

This RFP is being issued by the Manchester Employees' Contributory Retirement System, 1045 Elm Street - Suite 403, Manchester, New Hampshire 03101-1824.

### **1.2 Proposal Inquiries**

All inquiries shall cite the RFP number, page, section and paragraph in question to:

Mr. Gerard E. Fleury  
Executive Director  
Manchester Employees' Contributory Retirement System  
1045 Elm Street - Suite 403  
Manchester, NH 03101-1824

These questions may be submitted by letter, fax or email but in any case, should be done in writing.

### **1.3 Proposal Requirements**

The requirements for the MECRS custodial services and lump sum and monthly retiree payment and tax reporting to be provided by the vendor are detailed in Section 3.0, Detail Requirements.

### **1.4 Proposal Submission**

All proposals submitted in response to this RFP shall be submitted by 4:00 pm, July 14, 2017 to:

Mr. Gerard E. Fleury  
Executive Director  
Manchester Employees' Contributory Retirement System  
1045 Elm Street - Suite 403  
Manchester, NH 03101-1824

**All proposals shall remain valid for a period of 90 days from the date of submission.**

The vendor shall submit one (1) original proposal. The proposal should be submitted in a binder and marked "Manchester Employees' Contributory Retirement System RFP MECRS-2017-01."

### **1.5 Terms of Submission**

All material received in response to this RFP shall become the property of the Manchester Employees' Contributory Retirement System and will not be returned to the vendor. Regardless of the vendor selected, the Manchester Employees' Contributory Retirement System reserves the right to use any information presented in a proposal. Contents of all proposals shall become public information once the contract has been approved and awarded.

### **1.6 Sole Source Responsibility**

The successful vendor(s) shall be solely responsible for meeting all terms, conditions and requirements specified in this RFP, their proposal, and any resulting contract.

### **1.7 Selection, Notification and Contract Award**

The Manchester Employees' Contributory Retirement System shall reserve the right to clarify the terms and conditions of any proposal submitted.

The Manchester Employees' Contributory Retirement System shall award the contract to a vendor based upon the criteria specified in Section 4, Proposal Evaluation.

Upon approval by the MECRS Board of Trustees, where necessary, the contract shall become a valid contract of the Manchester Employees' Contributory Retirement System.

Public disclosure laws notwithstanding, public announcements or news releases pertaining to this RFP or to any resulting contract shall not be made without the written permission of the Executive Director of the Manchester Employees' Contributory Retirement System.

The anticipated start work date for this project will be September 2017. The successful vendor(s) will be kept informed of the intended start work date.

### **1.8 Liability**

The Manchester Employees' Contributory Retirement System shall not be held liable for any costs incurred by the vendor in the preparation of the proposal, or for any work performed prior to the issuance of a contract.

### **1.9 Non-Commitment of the Manchester Employees' Contributory Retirement System**

The solicitation of proposals by this RFP shall not commit the Manchester Employees' Contributory Retirement System to award a contract or to pay any costs incurred in the preparation of a proposal in response to this RFP.

## **2.0 GENERAL INFORMATION**

### **2.1 Introduction**

The Manchester Employees' Contributory Retirement System (MECRS) administers the retirement fund for employees of the City of Manchester, New Hampshire who are not participants in the New Hampshire Retirement System and who otherwise meet the eligibility requirements of State of New Hampshire Chapter 218 Laws of 1974 as amended.

- Pension fund administration systems in use were developed by Pension Technology Group of Boston, Massachusetts;
- Annuity payroll, lump sum distribution processing and all tax reporting associated with both functions, are currently supplied by State Street Bank & Trust from facilities located in Kansas City, Missouri, Jacksonville, Florida, and Boston Massachusetts. Checks produced for accounts payable and lump sum distributions are shipped via overnight courier to the MECRS Manchester, New Hampshire office. Monthly annuity payments and all tax relating processing is done entirely by the service provider, including mailing of checks and non-negotiables with only checks for the cumulative deductions health, dental other group deductions being forwarded to the MECRS office for subsequent distribution. The ability to update member deductions for health & dental insurance by importing a flat file of those updates is a requirement. These services are a critical component of this RFP for replacement services.
- Fund investment tracking and reporting, and retiree payment and tax reporting is currently supplied by systems furnished and operated by State Street Bank & Trust. These are one essential part of the systems and services which MECRS is seeking to replace;
- Pension funds are invested in both separate and group accounts operated by professional money managers, in Exchange Trade Funds, (ETFs) and in Institutional Mutual Fund shares.

MECRS does not generate or issue checks for any purpose internally at their 1045 Elm Street offices and does not seek to change that arrangement. A selected vendor will need to provide a system whereby

MECRS staff can enter accounts payable obligations using custodial supplied systems and either deliver finished checks to the 1045 Elm Street office or make payments on behalf of the organization electronically, as the circumstances may require. Cloud based payment systems needed to process lump sum distributions and update the monthly retiree payroll with new retirees, changes to existing retirees, stop payment requests, check re-issue requests and payment suspensions upon the death of a retiree, are presently used by MECRS and are seen as an integral part of this RFP. The existing system also allows MECRS staff to generate replacement 1099-R tax form by printing them at the office location. That need must also be addressed in this proposal.

A vital records check on monthly annuity recipients which is conducted by the vendor at least quarterly, shall be a fundamental requirement of this RFP.

As the MECRS has evolved, it has recognized further obligations and responsibilities to its membership. Business Continuity and the need to protect unique and vital systems have been recognized. As a result, any solutions proposed must include backup provisions for system failures and be sufficiently robust to allow for operation from alternate sites on short notice. All provided systems must also allow for access from sites other than the current MECRS office location. That need is critical should usability of the 1045 Elm Street facility be compromised, either temporarily or permanently.

All proposals must address migration from existing processes to successor processes being proposed, and include details on conversion, testing, training and implementation. All assumptions on the availability of MECRS staff as part of the proposal must be estimated and provided in detail.

## **2.2 Background and Overview**

Information about the Manchester Employees' Contributory Retirement System

The Manchester Employees' Contributory Retirement System operates pursuant to Section 8.09 of the City Charter of Manchester, New



Hampshire and in accordance with Laws of 1973, Chapter 218 as amended. The System is governed by a seven member board in accordance with Articles I and II of its By Laws and operates in accordance with Administrative Rules established for that purpose. Relevant financial and demographic information about the System is contained in its Annual Report which is available upon request from the system administrative office and is also contained on the system's website. The System exists for the benefit of its membership and maintains administrative offices in Suite 403 of the Chase Building at 1045 Elm Street. The system may be contacted through its Executive Director by any of the methods listed below:

By phone at 603-624-6506

By fax at 603-624-6342

By email at [Gfleury@ManchesterRetirement.org](mailto:Gfleury@ManchesterRetirement.org)

Or in writing at:

Manchester Employees Contributory Retirement System  
1045 Elm Street, Suite 403  
Manchester, NH 03101-1824

### **3.0 FUNCTIONAL SYSTEM REQUIREMENTS**

#### **3.1 Overview**

The proposed solution must replace the existing custodial services provided by State Street Bank & Trust which consist of:

- Monthly reports for two separate account equity managers.
- Monthly report on operating cash.
- Monthly comprehensive consolidated report on 22 investment vehicles which include: equity and fixed income group accounts, private equity investments, private debt investments, exchange traded funds, institutional mutual funds shares, and commercial real estate funds.
- Hardware and software required to perform remote capture check deposits from the MECRS office to the operating cash account.
- Accounts payable payment processing.
- Wire transfer capability to support MECRS investment transactions and the receipt of investment distributions.
- Online account reporting and transaction tracking.
- At present, State Street Bank provides monthly pension payment processing, periodic lump sum distribution processing and all tax reporting requirements, including generation of 1099-R forms, Federal withholding deposits and associated reporting, and annual notifications to the retiree group of their ability to submit revised W-4P forms. These services were viewed by MECRS as a separate function and were not initially targeted for replacement. State Street has informed MECRS however, that their services are bundled and so all proposals must address replacement of State Street's retiree services programs including:
  - Migration of legacy 1099-R tax records for monthly pension recipients and lump sum recipients from the legacy system.
  - Migration of YTD tax transactions for 2017 reporting purposes inclusive of

a testing process which can evidence the complete and accurate importing of YTD transactions to a successor system.

- Processing of monthly retiree annuity payments and lump sum payments associated with terminations from the Plan, prior to eligibility for retirement. The latter group must allow for either a direct taxable distribution with appropriate withholding or a rollover to an IRA or other qualified Plan. This group is associated with non-vested terminations of employment or death benefits. Any third party service provider must be identified in any proposal submitted.
- A quarterly death audit of retirees must be included in any proposal submitted. The proposed solution must provide an audit of the MECRS retiree population in receipt of monthly pension benefits to determine whether they have been reported as deceased. This will allow MECRS to terminate payments and prevent the need to recover excess payments.
- Taxable and Non-taxable payment categories exist in the MECRS processing group. Some MECRS retirees are recovering post tax, (previously taxed) contributions as a percentage of their monthly benefit payments. Eventually the previously taxed funds will be completely recovered, at which time; the entire monthly payment will become taxable. The proposed system must be able to record and amortize post tax balances, apply Federal Tax withhold rates against the taxable amounts, notify MECRS staff when non-taxable pension payments are exhausted, and report payments by category on form W-4P.
- Multiple payment recipients: MECRS retirees can be recipients of multiple, mutually exclusive benefit payments. In addition to their regular pension payment, a retiree may be the separate recipient of a monthly payment from a defined contribution overlay to their defined benefit. In addition to both of those payment types, it is possible that the retiree may be the beneficiary of a deceased retiree, generally a former spouse who was also a retiree in their own right, prior to passing away. All of these payments must be reported separately but will share a common social security number.
- COLA En-masse Updates: MECRS has historically granted periodic Cost of Living Adjustments, (COLAs) to qualify retirees. Not every retiree is granted COLA and under certain circumstances, the COLA percentages may vary

by person. The selected vendor must be able to accept a flat file which can be merged into the retiree database to properly update any COLA's granted. COLAs have never been granted more than once a year and are not a certainty.

- Deduction En-masse Updates: MECRS retirees have up to six different deductions taken from their monthly checks, not including Federal Tax Withholding. The primary reasons for these deductions are health, dental and other insurance premiums. Not every retiree is enrolled in these plans and plan rates can vary so the selected vendor must be able to accept a flat file which can be merged into the retiree database to properly change affected deduction categories. In addition, MECRS needs the ability to make single adjustments to a retiree's deduction amounts, should they elect to start, change or stop a deduction.
- Account changes: The selected vendor must be able to accommodate general changes on a retiree's payment record such as: Federal Tax withholding status, home address, and direct deposit information. The preferred method for such changes would be for MECRS personnel to have access to the service provider's system to input the changes directly.
- The successful bidder must provide an annual notification to monthly pension recipients of their right to amend the level of their Federal Tax Withholding through the filing of a form W-4P.
- MECRS is seeking same day responses to all phone calls and emails to any of a list of authorized service personnel assigned to its account. MECRS expects responses from client services personnel which address issues and concerns raised by MECRS in a prompt and professional manner. At a minimum, MECRS inquiries should be acknowledged with the expected day and time when a full response can be expected.
- MECRS has experienced changes in the contact personnel assigned to its account on repeated occasions and usually on short notice. For that reason, MECRS is seeking assurances that it will be notified at least a week in advance, of any changes in client representative assigned to its account and that it be granted a right to request a replacement representative if an assigned individual is, in the opinion of MECRS, continues to be habitually unresponsive or inaccurate with the service they provide after two reported incidents.

## **3.2 Current Environment**

### **Technical Resources**

The MECRS operates a LAN environment which consists of a custom built generic server constructed with Intel components and running the Window 2008 operating system. MECRS does not see its server being a factor in any of the technology solutions included in this RFP and any proposal issued in response.

Desktop units consist of Intel NUC computers running the Windows 7 Professional operating system, 500 GB of Flash Memory and 16 GB of RAM.

### **Applications**

The following mission critical applications are operated by MECRS staff with the assistance of contract support vendors for each key application.

Pension fund administration software, Pension Pro, is a cloud based pension administration system developed by Pension Technology Group's of Boston. Massachusetts.

The production of annuity payroll, including the printing of payroll checks, is provided externally by the State Street Bank & Trust Company in Boston, MA. Payroll includes paper checks and ACH direct deposit with paper non-negotiables issued to retirees each month.

Microsoft Great Plains General Ledger system was installed in 2008 and currently consists of Version 8.0. This system is used to record and report investment and benefit payment activities used to generate the organization's financial statements. No integration with this software is required or anticipated.

### **Organization and Personnel**

The local MECRS technology is supported by a single outsourced PC Specialist who concentrates primarily on responding to hardware failures, office suite and operating system upgrades and minor requests for technical assistance from MECRS staff. Any new hardware and software deployments must be provided by

the vendor as part of the proposal unless otherwise recommended and be accomplished with external resources but should include detailed descriptions of interconnected systems and hardware wherever interfacing with existing applications or systems are included in the vendor's proposal.

### **3.3 Work to be Performed by the Vendor**

This section of the RFP describes the work expected to be done by the successful vendor. This section is intended as an overall indication of the scope and the detail of work that MECRS believes is required by the successful vendor. It is not intended to be limiting to the vendor in any way. The key measurement of success of this RFP, is the successful replacement of existing custodial and check issue processes. MECRS has no illusion that it already knows the most efficient way to achieve this goal and is open to suggestions by the vendor.

#### **A. Develop Detailed Project Plan**

The successful vendor should submit a comprehensive project plan for the entire project. The plan need not be lengthy but must be adequate to the task. The scope of the plan must include the entire project, including the work done by the vendor and any work that must be done by other groups (such as MECRS or suppliers to MECRS).

The project plan shall include a narrative description of the tasks and deliverables from the tasks. A simple work breakdown structure should be used to facilitate understanding and ease of progress tracking. The plan narrative must also identify the responsible organization (for example, MECRS, vendor, etc.) for each major task.

#### **B. Specify Required Changes to Current MECRS Technical Environment**

The successful contractor will provide hardware, systems software and any network requirements as a part of the contract deliverables. To the extent that existing utilities such as laser printers are to be used by the new configuration being proposed, the vendor shall identify all such assumptions and the MECRS reserves the right to confer with technical experts to evaluate the viability of the configuration being proposed.

**C. Train MECRS Staff**

The successful vendor will provide training for the MECRS staff on the day-to-day use of all applications and systems being proposed. The form of this training is left to the vendor, but must include a signoff process where staff members receiving the training will acknowledge receipt of instruction and adequacy of their understanding of the process.

**D. Install the New Processes**

The vendor must be ready to work with MECRS and any of MECRS' other vendors to assure a smooth and accurate transition to the proposed system.

**E. Provide Technical and User Documentation**

The vendor must provide two types of documentation for the system.

The user documentation must be such that a generally able clerical or administrative person can use the documents as a reference as he/she learns and uses the system. The documentation should not only provide a basic introduction to the process but in addition to a reference, the user documentation should be a supplement to the user training.

It is the preference of MECRS that this documentation be primarily computer-based, with the reference material being in the form of help files.

Technical documentation for the systems is intended to be a reference for those who operate and maintain the system. The technical documentation must include the data models and a data dictionary.

**F. Deliverables**

Deliverables expected of the vendor shall include:

- Hardware with which to perform check deposit scanning.
- Computer system specifications matched to scanner specifications.
- Operating systems specifications on which applications operate.
- Training for three MECRS staff to be held in house.
- System Management & Maintenance Plans expected of MECRS.

**G. Breach of Confidentiality Coverage**

Describe in detail, the types of insurance coverage, if any, provided to MECRS in the event of a security breach where personal and confidential financial information on MECRS clients are compromised by hacking or malware.



## **4.0 PROPOSAL EVALUATION, SELECTION AND AWARD PROCESS**

### **4.1 Procurement Schedule**

<u>Event</u>	<u>Date</u>
Release RFP to vendors	May 19, 2017
Vendor inquiries due	June 9, 2017
Vendor's Information Conference	N/A
Proposals due	July 14, 2017
Proposal evaluation and award	August 8, 2017
Anticipated start date	Sept 1, 2017

### **4.2 Evaluation Process**

In addition to the team evaluations of the proposals, other individuals within the MECRS or contractors to the MECRS may be called upon to evaluate any or all proposals.

Vendors who are being strongly considered may be asked to visit the MECRS to introduce their project team and conduct a demonstration of their proposed system if applicable. As an alternative the vendor may be asked to arrange a demonstration visit to other local sites where the solution is already being utilized.

### **4.3 Evaluation Criteria**

The following factors (in order of priority) will be used by the team to make its recommendation:

1. The response conforms to the requirements, terms and conditions of the RFP.
2. The vendor meets the qualifications and experience needed to fulfill the requirements, terms and conditions of the RFP.

3. Estimated total cost to MECRS is, in the opinion of the evaluation team, merits proceeding with the project. Note that the total cost includes vendor quoted costs plus any additional costs incurred by MECRS in support of the implementation, management, operation and maintenance the proposed systems. Such additional costs might include additional training required but not included in the vendor's proposal or additional staff required to be hired and overtime should MECRS staff require time beyond the normal work schedule in order to participate in training, testing or conversion.

#### **4.4 Rejection**

The MECRS may reject any or all of the proposals at their discretion.

#### **4.5 Alternative Proposals**

Vendors may submit alternative proposals and options as long as they also submit a fully conforming proposal. Any alternative proposals must be clearly identified.

#### **4.6 Public Disclosure**

The information submitted in the proposal, including statements and letters, shall be subject to public disclosure as required by federal and state law.

#### **4.7 Return of Proprietary Proposal Materials, if any.**

Proposal materials that have been opened in accordance with proposal review and evaluation requirements shall not be returned. Proprietary materials, if any, can be picked up after contract approval and award is announced or notification that a contract is not to be awarded.

#### **4.8 Negotiation and Contract Award**

The MECRS shall negotiate a contract with the highest-rated vendor at compensation which the MECRS determines to be fair and reasonable. In making such determination, the MECRS shall take into account the

estimated value, scope, complexity and technical nature of the services to be rendered. Should the MECRS be unable to negotiate a satisfactory contract with the highest-rated vendor, negotiations with the next highest-rated vendor shall be undertaken.

Upon approval by the MECRS Board of Trustees, where necessary, the contract shall become a valid contract of the Manchester Employees' Contributory Retirement System.

#### **4.9 Term of Contract**

The contract for the system acquisition, installation and testing is anticipated to be awarded by August 8, 2017, and all deliverables are to be complete by October 30, 2017. The cost component of this proposal may be negotiated annually but any increases shall not exceed the lesser of CPI for the preceding year or 3%, whichever is less.

#### **4.10 Payment Schedule**

Payment for services shall be computed and billed monthly and shall consist of an itemized invoice. Invoices shall be reviewed and processed for payment by MECRS. Fees charged directly to the account will not be allowed as MECRS considers such arrangements to lack adequate control. The timing of payments for services billed shall be directly proportional to the ability of the account payable system provided as part of the solution.

#### **4.11 Personnel**

##### **1. Vendor**

The vendor warrants that all personnel engaged in the services shall be qualified to perform such services and shall be properly licensed and authorized to perform such services under all applicable laws.

##### **2. Vendor Representative**

The vendor shall appoint a representative who shall be responsible for seeing that the services are performed in the agreed upon time limits and

that they are of high quality and satisfactory to the MECRS. The vendor shall not change its designation of the vendor representative during the performance of the services without prior written consent by the MECRS.

### **3. Contracting Officer**

The MECRS shall appoint a representative who shall be the officer responsible for reviewing and accepting all deliverables under the contract.

## **5.0 PROPOSAL FORMAT**

In order to ease the evaluation of the vendor responses and to assure a fair evaluation for each vendor, a standard format for vendor proposals is required.

### **5.1 Transmittal Letter**

Proposals must be accompanied by a short (1-2 page) letter from the vendor's officer authorized to commit the vendor, stating the major aspects of the proposal. This letter shall include a brief statement of vendor qualifications, price, schedule and understanding of the needs of MECRS. The letter must also certify that the prices and offer contained in the proposal will remain firm for a period of 90 days from the date of submission.

### **5.2 Executive Summary**

The summary should be one or two pages covering the important ideas within the entire proposal. It should be focused on the issues as might be seen by the senior executives of MECRS.

### **5.3 Technical Approach to Meeting RFP Requirements**

This section is to cover the key areas of the vendor's technical approach to satisfying the MECRS needs. If the vendor feels that other areas should be addressed, these areas should be added at the end of the following list.

#### **1. Applications**

State how the vendor plans to address the key requirements specified in this RFP. Will the approach be through the use of web-based applications? If so, be sure to state all assumptions regarding Internet speeds, browser versions, and computer operating systems.

Be specific.

Be sure to detail the use of “cookies”, “pop-up blockers” or other validation methods to be used. Also address potential conflicts with virus or malware protection programs which may be in use

## **2. New System Implementation Including Training Plan**

The implementation of a business system can be a difficult and risk-laden task. How does the vendor propose to perform the implementation? Please define your approach and the reasons for selecting it. Cite experience in similar situations where this solution has been used.

## **3. Hardware & Software**

Describe your approach to defining the hardware requirements that will be placed upon the MECRS. Understand that MECRS has a limited budget for hardware upgrades.

This may be an issue where the use of a remote check scanner is concerned.

What presumptions are made regarding associated connecting devices, Internet services, and computer operating systems.

## **4. Performance and Quality Assurance**

In this section of the proposal, please describe the methods for determining the performance of your recommended approach to satisfying the MECRS requirements in terms of user response time to typical queries and update activities that are a part of creating and maintaining employee and retiree records.

Additionally, please describe your method of assuring that the products and services delivered meet a sustained high quality in terms of performance, logical correctness, freedom from system crashes, and any events which can result in a denial of services.

## **5. Key Personnel**

Please describe the number, level and experience of the key personnel who will be assigned to this project. It is especially important that MECRS have

an understanding of the nature and responsibilities of those vendor personnel providing direct service to MECRS. Key personnel are defined to be the overall project manager and individual task or technical personnel. MECRS reserves the right to approve the assignment of key personnel to the project, and the vendor must agree not to reassign key personnel without the prior approval of the MECRS contracting officer.

## **5.4 Project Plan**

It is vital that you describe an overall project plan to address this effort. At a minimum, the project plan must include the following four areas:

### **1. Tasks**

Briefly describe each of the major tasks that you feel are needed to be accomplished in this conversion project. Include risk assessments and resource assumptions associated with each task. Be sure to include a description of how you plan to obtain investment transaction and performance data from MECRS investment managers, and the frequency with which that data will be refreshed.

In this section, be sure to describe your experience in obtaining asset valuation and transaction data from alternative asset managers such as commercial real estate, private equity and private debt.

### **2. Schedule with Milestones**

Provide a schedule for accomplishing the tasks defined in section #1 above. Note the start and the end of each task in terms of weeks from award of contract. Also include all major milestones on this schedule.

### **3. Deliverables (Description and Date of Delivery)**

Describe each major deliverable you intend to provide during this work. Also indicate the date (in terms of weeks after receipt of contract) when this deliverable will be provided to MECRS. The deliverables must be noted as milestones on the schedule provided in #2 above.

### **4. Staff Applied**

Please include a list of the key staff applied to each major task. A description of the key staff is requested in another section of this RFP. In this section, include only a short title.

## **5.5 Project Costs**

A complete cost estimate for the project is requested in this section. The vendor is to provide cost estimates for all services provided, and the vendor must agree to a not-to-exceed total project cost, subject to the assumptions included in response to Section 5.8 of this RFP. The vendor is also asked to describe any material, facilities and services assumed to be provided by MECRS (or any of the MECRS vendors).

### **1. Services Provided by Vendor**

This section should contain a listing of services to be provided, along with a unit cost for these services and an extension. Services might include customization, report writing, and any other client specific deliverable.

### **2. Products Provided by Vendor**

In this section, list any products provided by the vendor to MECRS for which the vendor expects to be reimbursed by MECRS. Such products are anticipated to include off-the-shelf software that the vendor may use to satisfy some or all of the contract requirements.

### **3. Other Vendor Costs**

In this section, list and describe any other costs you anticipate being reimbursed by the MECRS

### **4. Furnished Services Assumed by Vendor**

List services, if any, expected to be provided by MECRS at no charge to the vendor.

### **5. Furnished Equipment Assumed by Vendor**

List equipment, if any, expected to be provided by MECRS at no charge to the vendor.



## **6. MECRS Furnished Facilities Assumed by Vendor**

List facilities, if any, expected to be provided by MECRS at no charge to the vendor. In the case of office facilities, list the number of full-time and part-time staff the vendor expects to need workspace at or near the MECRS offices.

### **5.6 Statement of Vendor Qualifications**

Please provide a description of your unique qualifications which support the award of this contract to your firm. In this section, also cite the percentage of total business attributed to servicing public funds such as MECRS.

### **5.7 Vendor References**

Please provide a list of clients, (preferably public pension funds similar in size to MECRS) for whom you currently provide products and services similar to those proposed for MECRS. Also provide the names, addresses, titles and phone numbers of individuals for each client, who has direct experience as customers of your firm for products and services similar to those proposed to MECRS.

### **5.8 Statement of Assumptions**

List any assumptions you have made in committing to the costs, schedules and performance outlined in your proposal. In particular, state any assumptions which underlie your schedule or cost estimates regarding the number and type of MECRS personnel who must be available.

Vendors are cautioned to pay particular attention to this requirement. Your proposal will be evaluated in part on the completeness and reasonableness of your assumptions.

**End of RFP**