

State of Wisconsin

DOA-3261 (R08/2003)

s. 16.75, Wis. Statutes

PROPOSALS MUST BE SEALED AND ADDRESSED TO:

Department of Employee Trust Funds

P.O. Box 7931

Madison, WI 53707-7913

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER

VENDOR (Name and Address)

Proposal envelope must be sealed and plainly marked in lower left corner with due date and Request for Proposal ETC0014. Late proposals shall be rejected. The soliciting purchasing office on or before the date and time that the proposal is due MUST date and time stamp proposals. Proposals dated and time stamped in another office shall be rejected. Receipt of a proposal by the mail system does not constitute receipt of a proposal by the purchasing office. Any proposal that is inadvertently opened as a result of not being properly and clearly marked is subject to rejection. Proposals must be submitted separately, i.e., not included with sample packages or other proposals. Proposal openings are public unless otherwise specified. Records will be available for public inspection after issuance of the notice of intent to award or the award of the contract. Vendor should contact person named below for an appointment to view the proposal record. Proposals shall be firm for acceptance for 180 days from date of proposal opening, unless otherwise noted. The attached terms and conditions apply to any subsequent award.

Proposals MUST be in this office no later than
April 4, 2013 at 2:00 PM, CST

Public Opening

No Public Opening

Name (Contact for further information)

Mark Blank

Phone

(608) 266-8989

Date

February 13, 2013

Quote Price and Delivery FOB

Madison

Description:

Request for Proposal (RFP) ETC0014 seeks a provider for an FDIC-insured investment option. The purpose of the FDIC option is to provide an FDIC-insured investment choice that provides interest income and liquidity while preserving principal. As of December 31, 2012, 4,968 WDC participants held more than \$97 million in the existing FDIC option.

RFP ETC0014 amendments and questions and answers will be posted on the ETF Web site <http://etfextranet.it.state.wi.us/> and will not be mailed.

Payment Terms:

Delivery Time:

In signing this proposal we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a proposal; that this proposal has been independently arrived at without collusion with any other vendor, competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the opening of proposals to any other vendor or competitor; that the above statement is accurate under penalty of perjury. We will comply with all terms, conditions and specifications required by the State in this Request for Proposal and all terms of our proposal.

Name of Authorized Company Representative
(Type or Print)

Title

Phone ()

Fax ()

Signature of Above

Date

Federal Employer
Identification No.

Social Security No. if Sole
Proprietor (Voluntary)

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**Request for Proposal (RFP) ETC0014
FDIC-Insured Investment Option**



Issued by the State of Wisconsin
Department of Employee Trust Funds
on behalf of the Deferred Compensation Board

Release Date: February 13, 2013

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1 BIDDING PROCEDURES AND REQUIREMENTS

1.1 RFP INFORMATION

This section of the Request for Proposal (RFP) details the procedures the proposer must follow to submit a proposal for the FDIC-backed investment option that the Board wishes to offer to Wisconsin Deferred Compensation Program participants.

1.1.1 Introduction

The Wisconsin Deferred Compensation Program (WDC) is one of the largest supplemental defined contribution retirement savings plans for public sector employees in the United States. It is available to all State and University of Wisconsin employees, as well as employees of local governments and school districts in Wisconsin that have elected to offer the WDC. As of December 31, 2012, the WDC had approximately \$3 billion in the accounts of over 51,000 public employees.

The WDC provides eligible employees with the opportunity to invest a portion of their annual earnings on a before- or after-tax basis to supplement retirement income. Employees investing for their retirement through the WDC have a variety of investment options from which to choose, including target date funds, fixed income and equity mutual fund options. Employees also have access to additional mutual fund choices through the WDC's self-directed brokerage option.

The Department of Employee Trust Funds (ETF) and the Deferred Compensation Board (Board) have statutory authority for program administration and oversight. The Board selects the investment options offered by the WDC and contracts directly with investment providers. The Board annually reviews the performance of the investment options offered to determine if they continue to meet established performance benchmarks. Options that are determined to be no longer acceptable may be removed from the WDC and new options may be added at any time.

The Board is actively seeking a provider or providers for an FDIC-insured investment option. The current FDIC option provider has chosen to exit the contract effective November 2013. The purpose of the FDIC option is to provide an FDIC-insured investment choice that provides interest income and liquidity while preserving principal. As of December 31, 2012, 4,968 WDC participants held over \$97 million in the existing FDIC option.

1.1.2 Procuring and Contracting Agency

This RFP is issued by the Department of Employee Trust Funds on behalf of the State of Wisconsin Deferred Compensation Board. The Department is the sole point of contact for the State in the selection process. The terms State, ETF, Department and Board may be used interchangeably in this document and its attachments.

Prospective proposers are prohibited from contacting any person other than the individual listed here regarding this RFP. Violation of this requirement may result in the proposer being disqualified from further consideration.

Express delivery:

Mark Blank
RFP ETC0014
Dept. of Employee Trust Funds
801 West Badger Road
Madison, WI 53713-2526

Mail delivery:

Mark Blank
RFP ETC0014
Dept. of Employee Trust Funds
PO Box 7931
Madison, WI 53707-7931

Telephone: (608) 266-8989

FAX: 608-267-0633

E-mail: ETFProcurement@etf.wi.gov

1.1.3 Definitions

The following definitions are used throughout the RFP:

Administrator means the third party firm contracted to provide administrative services for the Wisconsin Deferred Compensation Program.

Board means the State of Wisconsin Deferred Compensation Board.

Contractor means the proposer who is awarded the contract.

Department means the Wisconsin Department of Employee Trust Funds (ETF).

DOA means the Department of Administration.

ETF means the Wisconsin Department of Employee Trust Funds.

FDIC means Federal Deposit Insurance Corporation.

Proposer see "Vendor or Proposer" below.

RFP means Request for Proposal.

State means State of Wisconsin.

Vendor or Proposer used interchangeably means a firm or individual submitting a proposal in response to this RFP.

WDC means Wisconsin Deferred Compensation Program.

WRS means Wisconsin Retirement System.

Please see the glossary at: <http://etf.wi.gov/glossary.htm> for additional definitions.

1.1.4 Clarification of the Specifications and Requirements

Any questions concerning this RFP must be submitted via e-mail on or before the date identified in Section 1.1.7, to the individual identified in Section 1.1.2. Proposers are expected to raise any questions they have concerning the RFP at this point in the process. Questions are to be submitted as a MS Word document using the format specified below:

Table 1 Format for Submission of Clarification Questions

No.	RFP SECTION	RFP PAGE	QUESTION
Q1			
A1			
Q2			
A2			

Email is the preferred method of communications. All written questions must include the name of the firm and the person submitting the questions. A compilation of all questions and answers, along with any RFP addenda, will be posted to the ETF Extranet (see below) no later than the date indicated in Section 1.1.7.

If a proposer discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the proposer should immediately notify the individual identified in Section 1.1.2 of such error and request modification or clarification of this RFP document.

In the event that it becomes necessary to provide additional clarifying data or information, or to revise any part of this RFP, supplements or revisions will be published on the Department’s Extranet at <http://etfextranet.it.state.wi.us/> and will not be mailed. Electronic versions of the RFP and all appendices and exhibits are available on ETF’s Extranet.

1.1.5 Vendor Conference

If the Department decides to hold the vendor conference, a notice will be posted on the ETF web site referenced in section 1.1.4. Note that unless this notice is posted, no conference will be held. The conference is an opportunity to ask questions. All bidders who intend to respond to this RFP are encouraged to attend the vendor conference either in person or via a telephone conference call should one occur.

Only written responses will bind ETF. ETF will prepare written responses by the date identified in section 1.1.7. Responses to all questions submitted will be published to the Department’s Web site referenced in section 1.1.4.

1.1.6 Reasonable Accommodations

ETF will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities upon request. If you will need accommodations at the vendor conference, contact the individual identified in Section 1.1.2.

1.1.7 Calendar of Events

Listed below are the important dates by which actions related to this RFP must be completed. In the event that the Department finds it necessary to change any of the specific dates and times in the calendar of events listed below, it will do so by issuing a supplement to this RFP via the ETF Extranet listed in Section 1.1.4. No other formal notification will be issued for changes in the estimated dates.

Table 2 Calendar of Events

DATE*	EVENT
February 13, 2013	Issue RFP
February 27, 2013	Letter of intent and vendor questions due
March 6, 2013	Vendor conference (if necessary)
March 14, 2013	Post answers to questions on ETF Extranet
April 4, 2013; 2:00 P.M. CT	RFP proposals due
May 2, 2013	Notify vendors of intent of award contract
May 10, 2013	Begin contract negotiations
September 15, 2013	Anticipated Contract Start Date
November 1, 2013	Expected Asset Conversion Date
*All dates are estimated with the exception of RFP proposal due date and time.	

1.1.8 Letter of Intent

A letter of intent indicating that a proposer intends to submit a response to this RFP should be submitted to the Department by the date indicated in Section 1.1.7. In the letter, identify the proposer's organization and give the name, location, telephone number, fax number and e-mail address of one or more persons authorized to act on the proposer's behalf. Proposers should submit the letter of intent via email to the address in Section 1.1.2. The letter of intent does not obligate the proposer to submit a response.

1.1.9 Contract Term

The contract term for providing the investment option will commence on or about September 15, 2013 and will remain in effect until terminated by the Board or the vendor.

1.1.10 Criminal Background Verification

The Department follows the provisions in the *Wisconsin Human Resources Handbook Chapter 246, Securing Applicant Background Checks* (see <http://oser.state.wi.us/docview.asp?docid=6658>). The vendor is expected to perform background checks that, at a minimum, adhere to those standards. This includes the criminal history record from the Wisconsin Department of Justice (DOJ), Wisconsin Circuit Court Automation Programs (CCAP), and other state justice departments for persons who have lived in a state(s) other than Wisconsin. More stringent background checks are permitted. Details regarding the vendor's background check procedures should be provided to ETF regarding the measures used by the vendor to protect the security and privacy of program data and participant information. A copy of the result of the criminal background check the vendor conducted must be made available to ETF upon its request. ETF reserves the right to conduct its own criminal background checks on any or all employees or contractors of and referred by the vendor for the delivery or provision of services.

1.1.11 Financial Stability Verification

High scoring vendors may be asked to substantiate their financial stability. This includes furnishing a copy of your company's audited financial statements or financial statement compilations from the last two years. The Department reserves the right to request additional information to verify your company's financial status.

1.2 PREPARING AND SUBMITTING A PROPOSAL

1.2.1 General Instructions

The evaluation and selection of a vendor will be based on the information submitted in the proposal, references, any required presentations, and responses to requests for additional information or clarification.

Failure to respond to each of the requirements in Sections 3 and 4 of this RFP may be the basis for rejecting a proposal.

Elaborate, unreasonably long or verbose proposals (e.g., expensive artwork), beyond that sufficient to present a complete and effective proposal, are not necessary or desired.

1.2.2 Incurring Costs

The State of Wisconsin, the Department and the Board are not liable for any costs incurred by vendors in replying to this RFP, attending the vendor conference, or making requested oral presentations.

1.2.3 Submitting the Proposal

Vendors must submit one (1) original (marked "Original") and five (5) complete paper copies of the proposal, including the transmittal letter and other related documentation as required by this RFP.

Two (2) complete un-locked and non-password protected electronic copies (i.e., MS Word) of the proposal must also be provided on CD-ROM. In addition, two electronic copies with all confidential material redacted must be provided on CD-ROM and marked as "Redacted for Confidentiality" per Appendix C.

Each paper copy of the vendor's proposal must follow the format indicated in Section 1.2.4. Each electronic copy of the proposal and associated appendices and exhibits must be saved in the format provided.

Proposals submitted via fax or email will not be accepted. Receipt of a proposal by the State mail system does not constitute receipt of a proposal for purposes of this RFP.

All paper copies of a vendor's proposal must be packaged, sealed and show the following information on the outside of the package:

- "[Proposer's Name and Address]"
- "TECHNICAL PROPOSAL"
- Title: ETC0014
- Proposal Due Date.

An original Cost Proposal (marked "Original") plus two (2) paper copies of the vendor's Cost Proposal (Appendix F) must be sealed and submitted as a separate part of the proposal.

Two (2) complete electronic copies of the Cost Proposal (Appendix F) must also be provided on a separate CD-ROM.

All paper copies of the cost proposal must be in a sealed package and show the following information on the outside of the package:

- “[Proposer’s Name and Address]”
- “COST PROPOSAL”
- Title: ETC0014
- Proposal Due Date:

1.2.4 Proposal Organization and Format

Proposals must be typed and submitted on 8.5 by 11-inch paper and bound securely. The response must exactly follow the same numbering system, use the same headings, and address each point given in Sections 3 and 4.

Only provide promotional materials if they are relevant to a specific requirement of this request. If provided, all materials must be included with the response to the relevant requirement and clearly identified as “promotional materials.” Electronic access to such materials is preferred.

Proposers responding to this RFP must comply with the following format requirements.

- 1. PROPOSER CHECKLIST:** Complete the proposer checklist provided as Appendix A to this RFP and include it with your proposals
- 2. Tab 1 - TRANSMITTAL LETTER:** A signed transmittal letter must accompany the proposal. The transmittal letter must be written on the vendor’s official business stationery and signed by an official that is authorized to legally bind the vendor. Include in the letter:
 - I. Name, signature and title of proposer’s authorized representative
 - II. Name and address of company
 - III. Telephone number, fax number, and e-mail address of representative
 - IV. Title and RFP number: FDIC-backed Investment Option: ETC0014
 - V. Executive Summary
- 3. Tab 2 – REQUIRED FORMS:** The vendor must complete and/or include the following required State of Wisconsin forms:
 - I. Proposer’s Checklist – Appendix A
 - II. Mandatory Requirements – Appendix B
 - III. Designation of Confidential and Proprietary Information – Appendix C
 - IV. Standard Terms and Conditions (DOA-3054) and Supplemental Standard Terms and Conditions (DOA-3681) and Special Terms and Conditions – Appendix D
 - V. Vendor Information (DOA-3477) and References (DOA-3478) Vendor Information Sheet – Appendix E
- 4. Tab 3 - RESPONSE TO SECTION 3: Minimum Requirements:** Provide a point-by-point response to each and every statement in this RFP. Responses to statements must restate the question or statement and be in the same sequence and numbered as they appear in this RFP. Use tab separations for each section. Provide a succinct explanation of how each requirement is addressed.

5. Tab 4 – RESPONSE TO SECTION 4: Investment Option Requirements and SECTION 5: Additional Information: Provide a point-by-point response to each and every statement in this RFP. Responses to statements must restate the question or statement and be in the same sequence and numbered as they appear in this RFP. Use tab separations for each section. Provide a succinct explanation of how each requirement is addressed.
6. Tab 5 – ASSUMPTIONS AND EXCEPTIONS: All assumptions and exceptions must be included in this tab. Provide a succinct explanation for each item as well as a reference to the section of the proposal it relates to. Any assumption or exception made but not included in this Tab 5 will be invalid. Exceptions to the Department’s contract terms and conditions may be considered during contract negotiations if it is beneficial to the Department. If exceptions to the standard contract language are not presented in this section, they may not be discussed or considered during contract negotiations. When documenting assumptions and exceptions, clearly label each exception with one of the following labels:
 - RFP Assumption(s)
 - RFP Exception(s)
 - Standard Term Exception(s)
7. **Under separate cover: Submit a Cost Proposal as described in Appendix F. No mention of the cost proposal may be made in any other part of the response to this RFP. Inclusion of cost information other than in the cost proposal may result in disqualification of the proposal. Failure to provide a cost proposal or failure to provide it under separate cover will result in disqualification.**

1.2.5 Multiple Proposals

Multiple proposals from a vendor are not permissible.

1.2.6 Contacting Vendor References and Conducting Site Visits

By submitting a proposal in response to this RFP, the vendor grants rights to the Department to contact or arrange a visit with any or all of the vendor’s clients and/or references.

1.3 PROPOSAL REVIEW AND AWARD PROCESS

1.3.1 Preliminary Evaluation

Proposals will initially be reviewed to determine if mandatory requirements are met. Failure to meet mandatory requirements as stated in Appendix B or failure to follow the required instructions for completing the proposal as specifically outlined in Section 1 may result in the rejection of the proposal.

1.3.2 Selection Process

Proposals that pass the preliminary evaluation will be reviewed by an evaluation committee and scored against stated criteria. The committee will review written proposals, references, additional clarifications, and may require oral presentations, site visits and other information to evaluate whether the proposal fulfills all of the specifications and requirements for this RFP. The evaluation committee's scoring will be tabulated and proposals will be ranked based on the numerical scores received.

Based on the results of the evaluation and taking into account all of the evaluation factors, the proposal determined to be most advantageous to the Board may be selected by the Department for further action.

1.3.3 Oral presentations

The proposer may be required to provide a personal interview with the Board and Department staff. Failure of a proposer to make a presentation to the Board or Department on the date scheduled or to respond to requests for additional written information may result in rejection of the submitted proposal.

1.3.4 Evaluation Criteria

Proposals must be as succinct as possible in providing an accurate picture of the vendor's ability to meet the Board's needs in a thorough, accurate, responsive and cost-effective manner. Any proposal that does not adhere to RFP requirements may be rejected as not responsive to the RFP without further consideration. On behalf of the Board, ETF's evaluation committee will analyze and score all proposals to determine which proposal will best satisfy all requirements set forth in this RFP. Proposals will be evaluated based on the following weighted percentages:

- Investment Option Expected Performance and Operations – 40%
- Firm Experience, Qualifications and References – 30%
- Proposed Fee – 30%.

Proposals that do not fall within a competitive range will not be considered for the award and the proposers will be notified of such. Best and final offers may be requested.

1.3.5 Award

The contract will be awarded to the vendor whose proposal is determined to be the most advantageous and best value as determined by the Board and Department. The Board reserves the right not to award a contract as a result of this RFP.

1.3.6 Notice of Award

All vendors who respond to this RFP will be notified of the Board's intent to award the contract as a result of this RFP.

1.3.7 Right to Reject Proposals

The Board reserves the right to reject any and all proposals. The Board may negotiate the terms of the contract, including the award amount, with the selected vendor prior to entering into a contract.

1.3.8 Appeals Process

Notices of intent to protest and protests must be made in writing. Protestors should make their protests as specific as possible and must identify statutes and Wisconsin Administrative Code provisions that are alleged to have been violated.

The written notice of intent to protest the notice of award of a contract must be filed with:

Deferred Compensation Board
 c/o Robert J. Conlin, Secretary
 Department of Employee Trust Funds
 P.O. Box 7931
 Madison, WI 53703-7931

This notice must be received in that office no later than five (5) working days after the notice of award is issued. Fax documents will not be accepted. The written protest must be received within ten (10) working days after the notice of award is issued.

The decision of the Board is final.

2 AGENCY AND PROGRAM HISTORY

The section includes information relating to the State and the Wisconsin Deferred Compensation Program and is provided to assist the proposer in completing the RFP response document. This section is for informational purposes; no response is required from the proposer unless elsewhere stated. For additional information on the programs, please review the following program information and related Web sites:

Table 3 Reference Materials

DOCUMENT	WEB ADDRESS
WI State Statutes Ch. 40, Subch. VII	http://www.legis.state.wi.us/statutes/Stat0040.pdf
Ch. ETF 70, WI Admin. Code	http://www.legis.state.wi.us/rsb/code/etf/etf070.pdf
Employee Trust Funds Internet Site	http://etf.wi.gov/
Wisconsin Deferred Compensation Program Internet Site	www.wdc457.org
Wisconsin Deferred Compensation Program Fact Sheet	http://etf.wi.gov/publications/et8904.pdf

Note: The WDC Web site contains WDC information including the WDC Plan and Trust document, list of investment options, brochures and participant forms

The Department of Employee Trust Funds (ETF) is the Wisconsin state agency that administers benefit programs for the State of Wisconsin and most local government employers. The Wisconsin Deferred Compensation Program (WDC) is one of ETF's largest programs, providing a supplemental defined contribution retirement plan for more than 51,000 current and former state and local government employees via nearly 900 employers in 2012.

The WDC is an unbundled, qualified deferred compensation program under Section 457 of the Internal Revenue Code. It was created by the Wisconsin Laws of 1981, Ch. 187 and established in 1982 for state employees and has been available to local public employees since 1985. Wisconsin Statute Chapter 40, Subchapter VII, Chapter ETF 70 of Wisconsin Administrative Code and the Wisconsin Plan and Trust Document regulate the WDC and set forth the rules and responsibilities of all parties involved with the program.

The Deferred Compensation Board (Board) has statutory authority for the WDC and together with the Department of Employee Trust Funds (Department), is responsible for all aspects of program administration. The Board contracts with a third party administrator (administrator) for a full range of functions including marketing, customer service, record keeping and overall program administration. The current administrator is Great-West Retirement Services.

WDC participants have considerable flexibility with their deferred compensation accounts: the WDC offers participants a broad selection of investment choices and provides participants with as much flexibility as allowed by federal tax laws. Subject to fund redemption restrictions, participants may defer into any number of investment products that are offered without restrictions as to the number of investment products selected or the number of times deferral amounts may be increased or decreased.

The Board and the Department take a very active role in the investment product decisions. The Department assists a separate advisory Investment Committee of the Board in reviewing investment options. The investment performance of current offerings is reviewed annually and decisions regarding retaining or removing options are based on this review. The Board has the final decision making authority over the removal of investment options from the WDC.

WDC investment options range from conservative fixed and bond funds to more aggressive domestic mid and small cap equity funds and international equity funds. The WDC also offers self-directed brokerage accounts through the Charles Schwab Personal Retirement Account option. Please refer to the WDC Web site at www.wdc457.org for detailed information on each of the WDC's current investment options.

3 MINIMUM REQUIREMENTS

The proposer must demonstrate that their firm is an experienced, capable, and qualified discretionary investment manager with a minimum of five years experience in providing FDIC-insured investments to public retirement plans. Per the Board's Investment Policy Statement, the proposer must be FDIC-insured, maintain an appropriate capital ratio as required by the U.S. Government to maintain FDIC coverage, and have a minimum of \$1 billion in assets.

All proposers must respond to the following by restating each question or statement and providing a detailed written response. Instructions for formatting the written response to this section are found in Section 1.2 Preparing and Submitting a Proposal.

3.1 FIRM BACKGROUND AND GENERAL INFORMATION

The firm's proposal must include the following items, at minimum, organized as indicated below:

- 3.1.1 Provide the firm's name, home office, address of the office providing service for the proposed investment option, including telephone number, email address and appropriate FAX number for the primary contact individual(s).

Indicate the firm's fiduciary classification:

_____ Bank

_____ Credit Union

_____ Insurance Company

_____ Registered Investment Advisor

_____ Affiliate of Fiduciary

_____ Other: _____

- 3.1.2 Give a brief history and description of the firm including:
- a) Principal business;
 - b) The month and year of SEC 1940 Act registration;
 - c) The month and year the firm began offering the proposed investment option;
 - d) Size of firm;
 - e) Number of offices and locations; and
 - f) Number of employees.
- 3.1.3 Provide an organizational chart that diagrams the different functions (client services, research, trading, back office/operations, etc.) dedicated to the proposed investment option. How long has the team been together? Professionals should be identified over their area of responsibility.
- 3.1.4 Describe the ownership of the firm including but not limited to:
- a) Ownership structure including the percentage owned by current active employees and the number of employees participating in such ownership;
 - b) Parent, subsidiary or affiliated companies or joint ventures;
 - c) If a subsidiary or affiliate, designate the percentage of parent firm's total revenue generated by your organization;
 - d) If the firm is a joint venture partner, identify the percentage of ownership and revenues recognized by each partner to the combined association.
- 3.1.5 The proposing firm must not be a broker or any third party selling another company's funds
- 3.1.6 Describe how the firm is capitalized, including percent of total revenue derived from providing the proposed investment option and percent of total revenue derived from other businesses.
- 3.1.7 Provide a review of the evolution of the growth of your organization, highlighting any acquisitions, and/or mergers or other material developments (changes in ownership, personnel, business, etc.) over the past five years.
- 3.1.8 Describe any pending plans for the firm's expansion, relocation, consolidation, merger, acquisition, or sale.
- 3.1.9 Provide information about any accreditations, certifications or industry designations your firm currently holds, and/or has been awarded in the past five years.
- 3.1.10 Outline and describe the nature of any subcontractors, business relationships, partnerships, or co-ownership partnerships currently in place. Does your firm have any ongoing responsibilities, financial, strategic or otherwise, that are in place or that are a result of these ties? If so, describe these responsibilities in detail.
- None of the services to be provided by the contractor shall be subcontracted or delegated to any other organization, subdivision, association, individual, corporation, partnership or group of individuals, or other such entity without the prior written consent of the Department. The determination of whether such consent will be provided shall be within the sole discretion of the Department. No subcontract or delegation shall relieve or discharge the contractor from any obligation to meet deliverables, stated time frames or from liability under the contract.
- 3.1.11 Indicate if the firm is duly licensed to do business in Wisconsin and registered under the appropriate state and federal securities, insurance and banking laws, and if the proposed investment product(s) are qualified to accept s. 457 plan investments. If not licensed, please attach an opinion of the firm's legal counsel giving their opinion as to whether they anticipate any difficulties with the firm obtaining all necessary federal and state licenses and registrations.

- 3.1.12 Provide certification that the firm has not been in bankruptcy and/or receivership within the last five calendar years.
- 3.1.13 Describe in detail any potential conflicts of interest the firm may have in the management of this account. Include any activities of affiliated or parent organizations, brokerage activities, investment banking activities, or any past or current relationships with Board members and the Department. Include any other pertinent activities, actions, or relationships not specifically outlined in this question.
- 3.1.14 Has the firm ever violated a client guideline? If so, please describe the violation and the resolution.
- 3.1.15 During the past five years, has the firm or any officer or principal been subject to any governmental regulatory or law enforcement agency's investigation, examination or other proceeding directly involving the firm, its owners or employees other than such examination or other proceedings as are routinely conducted in the ordinary course of the firm's business? If so, provide a detailed explanation and indicate the current status.
- 3.1.16 Provide details of any pertinent judgment, criminal conviction, investigation or litigation pending against the firm or any of its officers, directors, employees, agents or subcontractors of which the firm has knowledge or a statement that there are no adverse organizational issues. The Board reserves the right to reject a response based on this information.
- 3.1.17 During the past five years, has the firm been subject to any litigation alleging fraud, breach of fiduciary duty or other willful misconduct? This includes but is not limited to expropriation of funds, insider trading, front running, or undisclosed derivatives or leverage.
- 3.1.18 Describe the levels (U.S. dollar amounts) of coverage for SEC-required (17g-1) fidelity bonds, errors and omissions coverage and any other fiduciary coverage, which the firm carries, indicating that employees who may perform work under the contract are covered. List the insurance carriers supplying the coverage.

3.2 FIRM QUALIFICATIONS

- 3.2.1 Describe the firm's overall business strengths, weaknesses and competitive advantages. Include experience of the firm in providing investment options to similar institutional investors, as measured by the firm's history of providing such services; and the similarity of the firm's clients to the WDC.
- 3.2.2 Provide your company's short and long-term strategic business plans. What organizational improvements are planned over the next five years?
- 3.2.3 Provide a description of any and all FDIC-insured investment options your firm currently provides to other public retirement plans. The response must:
- i) Identify the entity.
 - ii) Identify the length of the contract including the start date.
 - iii) Identify the number of accounts and assets held within the option.
- 3.2.4 Discuss any relationships you may have with the WDC's third party administrator, Great-West Retirement Services. Do you anticipate any transition or conversion problems? If yes, how would you address them?

- 3.2.5 Describe the job qualifications required by the firm when hiring portfolio managers, traders, research analysts, back office/operations and systems professionals. What personnel changes are planned over the next three years?
- 3.2.6 Provide a list of the key professionals involved in the proposed investment option, including any portfolio managers, research analysts, traders, back office/operations staff, etc. Please specify the following: name, title/responsibilities, years experience, years at firm, degrees/designations, sponsoring body or school, work location, and where applicable, number of accounts each manages and dollar value of assets under management as of December 31, 2012. Where is their prior employment experience? (portfolio management, research, trading, industry, consulting, etc.)?
- 3.2.7 Describe what you believe are your firm's strengths regarding client service; what distinguishes your firm from your competitors?
- 3.2.8 Who would be the client services relationship manager and where is this person located? How often would the person be available for meetings with the Board? How often could the portfolio manager, chief investment officer and/or company president be available for meetings?
- 3.2.9 Discuss the nature and type of research and/or educational material produced by your firm that will be made available to the Board and to plan participants upon requests. Provide samples

3.3 COMPLIANCE, INTERNAL CONTROLS, REPORTS AND DISASTER RECOVERY

- 3.3.1 Provide a detailed summary of the firm's compliance process, including the names and titles of senior or key personnel involved in the compliance process.
- 3.3.2 Enclose a copy of the firm's code of ethics.
- 3.3.3 Provide a detailed summary of the firm's internal control structure, and any control procedures that safeguard the integrity of client assets.
- 3.3.4 Provide copies of the firm's most recent SSAE 16 report and audited financial statements and independent auditor's management letter. Indicate if the annual report and management letter comments and responses will be available to the Department. Describe the relationship with the firm's independent auditors.
- 3.3.5 Describe customary communications and statements or reports used with clients, their frequency and your firm's ability to customize reports to meet client needs. Describe any internet-based information or reporting capabilities your firm offers. When will reports be available to the Department and what will be included in the reports? Include samples.
- 3.3.6 Describe the firm's disaster recovery and alternate work site plans and relationships with key business partners. Describe the results of any disaster recovery testing, including the amount of time needed to transfer operations to an alternate site, if any. To the extent any of the firm's operations are provided through outside vendors, please describe how the firm intends to assure quality delivery of these services in the event of a failure. Include detail how your firm's backup communications system operates in the event electronic communications become inoperable.

4 INVESTMENT OPTION REQUIREMENTS

The Board seeks to provide WDC participants with an FDIC-insured investment option that will provide interest income and liquidity while preserving principal. The savings option will be liquid; deposits and withdrawals may be made at any time without penalty or restriction. The interest rate is stated at the beginning of each calendar quarter and remains constant for all deposits during that calendar quarter. The level of risk (as measured by the standard deviation of a series of quarterly returns) and return is expected to be lower than that of the WDC's other investment fund options. Investment returns will be strictly interest income.

4.1 PROPOSED INTEREST RATE STRUCTURE

4.1 Provide the quarterly returns that would have been credited on the proposed investment product for the last twenty quarters ending December 31, 2012 (five years).

4.2 MINIMUM QUALIFICATIONS

Provide positive affirmations for the firm's ability to meet the following minimum qualifications:

- 4.2.1 Each individual account must be insured through the Federal Deposit Insurance Corporation (FDIC).
- 4.2.2 The proposing firm must meet the capital requirements as mandated by the FDIC for "well capitalized" such that employee benefit plan deposits with the firm are eligible for "pass-through" insurance coverage.
- 4.2.3 The proposing firm must have an "investment grade" rating from at least two nationally recognized rating agencies.
- 4.2.4 The proposed interest rate or rates must be indexed to a publicly available rate or benchmark.
- 4.2.5 The proposing firm must have sufficient deposit capacity to accept the proportionate amount of deferrals into this option for the term of the contract.
- 4.2.6 The proposing firm must place no restrictions or fees on a participant's ability to withdraw.
- 4.2.7 The proposing firm must have experience with and be willing to accommodate daily valuation.
- 4.2.8 All fees and expenses must be netted out of the credited rate.
- 4.2.9 The proposing firm must not charge a redemption fee, transfer fee, deferred sales charge, or up-front sales load, or should be willing to waive such fees or charges or refund them to the Board.
- 4.2.10 The proposing firm may not apply or levy a penalty or fee of any type, except for adjustments related to market valuation of a fixed investment product upon liquidation, if the Board, for

any reason, finds it necessary to move or transfer funds to protect employees or if the Board does not renew a contract.

- 4.2.11 The proposing firm to whom the RFP is awarded must reimburse the Board for the firm's proportionate share of annual communication costs, which include marketing, investment education and training, not to exceed \$5,000 per calendar year. The proposing firm's annual share shall be based upon the FDIC option's proportionate share of the previous year's total investments calculated as of the last day of the year. This reimbursement must be paid to the Board within thirty (30) days of receipt of an invoice.
- 4.2.12 The proposing firm must make information and materials necessary to inform participants of the product available to the Department. The Department shall have final approval of all materials prepared for WDC participants.
- 4.2.13 On a quarterly basis, the proposing firm must provide the following in writing to the Department: the proposing firm's leverage ratio, Tier 1 risk based capital ratio, total risk based capital ratio, Prompt Corrective Action (PCA) category and a statement as to whether or not employee deposits with the proposing firm are entitled to "pass through" insurance coverage under the FDIC.
- 4.2.14 Upon request (within five business days), the proposing firm must provide the following to the Department in writing: the proposing firm's leverage ratio, Tier 1 risk-based capital ratio, total risk-based capital ratio, Prompt Corrective Action (PCA) category, and a statement as to whether or not employee deposits with the proposing firm are entitled to "pass through" insurance coverage under the FDIC.
- 4.2.15 If the proposing firm's PCA capital category changes from "well capitalized" to "adequately capitalized," the proposing firm must provide this information to the Department in writing, within ten business days of the change, including the proposing firm's new PCA capital category and whether or not new or rolled-over plan deposits are eligible for "pass-through" insurance coverage under the FDIC.

4.3 OPERATIONAL, ACCOUNTING AND REPORTING ACTIVITIES

- 4.3.1 Provide a list of ss. 457, 403(b) and 401(k) plan record-keepers with whom you currently do business and indicate your reporting capabilities with respect to the record keeping companies' needs.
- 4.3.2 Describe how your firm will provide daily values to the record-keeper, including meeting any time restrictions for same day crediting. Describe your firm's ability to deliver information to the record-keeper. Include cut-off times, timing flexibility, and time restrictions.
- 4.3.3 Provide a sample of the wire instructions used with record keepers for incoming purchases, redemptions, daily deposits, withdrawals, etc. It is anticipated that the record-keeper will provide directions once daily. It is expected that all redeemed amounts requested by record-keeper will be wired on the same day if instructions are received by your firm by 8:30 a.m. Eastern Standard Time.

- 4.3.4 Explain your firm's verification procedures to confirm amounts received and how your firm expects to provide written daily trade and other transaction confirmations to the record-keeper. Describe how the firm will accept and process all deposits and withdrawals for plan-related transactions including contributions, investment election transfers, rollovers or transfers from other plans, benefit payments including in-service withdrawals and required adjustments.
- 4.3.5 Describe your firm's ability to post incoming assets promptly and accurately. Detail the system used for posting, including cut-off times. It is expected that the firm will post incoming deposits promptly and accurately with same day crediting, if instructions are received by 8:30 a.m. Eastern Standard Time
- 4.3.6 Describe your firm's procedures and protocols for processing redemptions/transfers. Include time constraints.
- 4.3.7 Describe any aspects of your firm's processes that may differentiate your firm from your competitors.
- 4.3.8 Describe how your firm will maintain financial and accounting records relating to the WDC and supporting evidence pertaining to the contract in accordance with generally accepted accounting principles and other procedures that may be specified by the Board. Accounting records must be made available during normal business hours to the Board, the Department, the Attorney General, and the State Controller during the contract period and for ten (10) years from the date of termination.
- 4.3.9 Describe what data would be included on a monthly statement of activity to the record-keeper, and to the Department as needed upon request. Include a sample if available.
- 4.3.10 Describe efforts your firm would take to ensure that any participants disadvantaged by a processing or pricing error committed by your firm are made "whole."

5 ADDITIONAL INFORMATION

- 5.1 Provide any additional data your firm believes essential to the evaluation of your RFP response. If there is no additional data you wish to present, state the following: "There is no additional data we wish to present." This information will not be scored.

APPENDICES:

APPENDIX A Vendor's Checklist

APPENDIX B Mandatory Requirements

APPENDIX C Designation of Confidential and Proprietary Information (DOA-3027)

APPENDIX D Standard Terms and Conditions (DOA-3054) and Supplemental Standard Terms and Conditions (DOA-3681)

APPENDIX E Vendor Information (DOA-3477) and References (DOA-3478)

APPENDIX F Cost Proposal

APPENDIX G Data Governance Approved Policies

**APPENDIX A
PROPOSER'S CHECKLIST**

RFP ETC0014

Mandatory

This appendix must be completed with proposal.

- () 1. PROPOSAL COVER PAGE SIGNED (DOA-3261)
- () 2. TRANSMITTAL LETTER (Section 1.2.4)
- () 3. AGREEMENTS
 - Appendix A – Proposer's Checklist
 - Appendix B – Mandatory Requirements
 - Appendix C – Designation of Confidential and Proprietary Information
 - Appendix D – Standard Terms and Condition and Supplemental Standard Terms and conditions for Procurements for Services
 - Appendix E – Vendor Information and Reference Sheets
- () 4. RESPONSE TO SECTION 3 (Minimum Requirements)
- () 5. RESPONSE TO SECTION 4 (Investment Requirements)
- () 6. ASSUMPTIONS AND EXCEPTIONS
- () 7. COST PROPOSAL

PROPOSING VENDOR NAME:

DATE:

AUTHORIZED REPRESENTATIVE:

APPENDIX B MANDATORY REQUIREMENTS

RFP ETC0014

Mandatory

This appendix must be completed with proposal.

The following requirements are mandatory and must be met by all vendors submitting proposals. Failure to comply with one or more of the mandatory requirements may disqualify the proposal. However, if you disagree with any of the statements below, ETF may consider your proposal only if the issue is addressed in Proposal Tab 5 – Assumptions and Exceptions.

MANDATORY REQUIREMENTS	Check One	
	Agree	Disagree
1. The Proposer must meet the minimum requirements as described in Section 3 of this RFP.		
2. The Proposer must meet the minimum requirements as described in Section 4 of this RFP.		
3. The Proposer agrees to adhere to all ETF Department standards, policies and procedures. Any exceptions to this statement must be cleared, in writing, by ETF.		
4. The Proposer has no conflict of interest with regard to any other work performed for the State of Wisconsin.		

**APPENDIX C
DESIGNATION OF CONFIDENTIAL AND PROPRIETARY
INFORMATION**

RFP ETC0014

Mandatory

This appendix must be completed with proposal.

The proposer must supply 2 electronic copies with all confidential material redacted on CD-ROM and marked as "Redacted for Confidentiality."

DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

The attached material submitted in response to Bid/Proposal # _____ includes proprietary and confidential information which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this bid/proposal response be treated as confidential material and not be released without our written approval.

Prices always become public information when bids/proposals are opened, and therefore cannot be kept confidential.

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in s. 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

We request that the following pages not be released:

Section	Page #	Topic

IN THE EVENT THE DESIGNATION OF CONFIDENTIALITY OF THIS INFORMATION IS CHALLENGED, THE UNDERSIGNED HEREBY AGREES TO PROVIDE LEGAL COUNSEL OR OTHER NECESSARY ASSISTANCE TO DEFEND THE DESIGNATION OF CONFIDENTIALITY AND AGREES TO HOLD THE STATE HARMLESS FOR ANY COSTS OR DAMAGES ARISING OUT OF THE STATE'S AGREEING TO WITHHOLD THE MATERIALS.

Failure to include this form in the bid/proposal response may mean that all information provided as part of the bid/proposal response will be open to examination and copying. The state considers other markings of confidential in the bid/proposal document to be insufficient. The undersigned agrees to hold the state harmless for any damages arising out of the release of any materials unless they are specifically identified above.

Company Name _____

Authorized Representative _____
Signature

Authorized Representative _____
Type or Print

Date _____

This document can be made available in accessible formats to qualified individuals with disabilities.

**APPENDIX D
STANDARD TERMS AND CONDITIONS**

RFP ETC0014

**Standard Terms and Conditions and Supplemental Standard Terms and Conditions for
Procurements for Services**

Vendor agrees to the Terms and Conditions as stated in this Appendix D.

**Exceptions must be addressed in Proposal
Tab 5 - Assumptions and Exceptions**

Standard Terms and Conditions (Request for Bids / Proposals)

Wisconsin Department of Administration
Chs. 16, 19, 51
DOA-3054 (R10/2005)

- 1.0 SPECIFICATIONS:** The specifications in this request are the minimum acceptable. When specific manufacturer and model numbers are used, they are to establish a design, type of construction, quality, functional capability and/or performance level desired. When alternates are bid/proposed, they must be identified by manufacturer, stock number, and such other information necessary to establish equivalency. The State of Wisconsin shall be the sole judge of equivalency. Proposers/proposers are cautioned to avoid bidding alternates to the specifications which may result in rejection of their bid/proposal.
- 2.0 DEVIATIONS AND EXCEPTIONS:** Deviations and exceptions from original text, terms, conditions, or specifications shall be described fully, on the proposer's/proposer's letterhead, signed, and attached to the request. In the absence of such statement, the bid/proposal shall be accepted as in strict compliance with all terms, conditions, and specifications and the proposers/proposers shall be held liable.
- 3.0 QUALITY:** Unless otherwise indicated in the request, all material shall be first quality. Items which are used, demonstrators, obsolete, seconds, or which have been discontinued are unacceptable without prior written approval by the State of Wisconsin.
- 4.0 QUANTITIES:** The quantities shown on this request are based on estimated needs. The state reserves the right to increase or decrease quantities to meet actual needs.
- 5.0 DELIVERY:** Deliveries shall be F.O.B. destination freight prepaid and included unless otherwise specified.
- 6.0 PRICING AND DISCOUNT:** The State of Wisconsin qualifies for governmental discounts and its educational institutions also qualify for educational discounts. Unit prices shall reflect these discounts.
 - 6.1** Unit prices shown on the bid/proposal or contract shall be the price per unit of sale (e.g., gal., cs., doz., ea.) as stated on the request or contract. For any given item, the quantity multiplied by the unit price shall establish the extended price, the unit price shall govern in the bid/proposal evaluation and contract administration.
 - 6.2** Prices established in continuing agreements and term contracts may be lowered due to general market conditions, but prices shall not be subject to increase for ninety (90) calendar days from the date of award. Any increase proposed shall be submitted to the contracting agency thirty (30) calendar days before the proposed effective date of the price increase, and shall be limited to fully documented cost increases to the contractor which are demonstrated to be industry wide. The conditions under which price increases may be granted shall be expressed in bid/proposal documents and contracts or agreements.
 - 6.3** In determination of award, discounts for early payment will only be considered when all other conditions are equal and when payment terms allow at least fifteen (15) days, providing the discount terms are deemed favorable. All payment terms must allow the option of net thirty (30).
- 7.0 UNFAIR SALES ACT:** Prices quoted to the State of Wisconsin are not governed by the Unfair Sales Act.
- 8.0 ACCEPTANCE-REJECTION:** The State of Wisconsin reserves the right to accept or reject any or all bids/proposals, to waive any technicality in any bid/proposal submitted, and to accept any part of a bid/proposal as deemed to be in the best interests of the State of Wisconsin.

Bids/proposals MUST be date and time stamped by the soliciting purchasing office on or before the date and time that the bid/proposal is due. Bids/proposals date and time stamped in another office will be rejected. Receipt of a bid/proposal by the mail system does not constitute receipt of a bid/proposal by the purchasing office.
- 9.0 METHOD OF AWARD:** Award shall be made to the lowest responsible, responsive proposer unless otherwise specified.
- 10.0 ORDERING:** Purchase orders or releases via purchasing cards shall be placed directly to the contractor by an authorized agency. No other purchase orders are authorized.
- 11.0 PAYMENT TERMS AND INVOICING:** The State of Wisconsin normally will pay properly submitted vendor invoices within thirty (30) days of receipt providing goods and/or services have been delivered, installed (if required), and accepted as specified.

Invoices presented for payment must be submitted in accordance with instructions contained on the purchase order including reference to purchase order number and submittal to the correct address for processing.

A good faith dispute creates an exception to prompt payment.

Standard Terms and Conditions (Request for Bids / Proposals)

12.0 TAXES: The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below.

The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.

13.0 GUARANTEED DELIVERY: Failure of the contractor to adhere to delivery schedules as specified or to promptly replace rejected materials shall render the contractor liable for all costs in excess of the contract price when alternate procurement is necessary. Excess costs shall include the administrative costs.

14.0 ENTIRE AGREEMENT: These Standard Terms and Conditions shall apply to any contract or order awarded as a result of this request except where special requirements are stated elsewhere in the request; in such cases, the special requirements shall apply. Further, the written contract and/or order with referenced parts and attachments shall constitute the entire agreement and no other terms and conditions in any document, acceptance, or acknowledgment shall be effective or binding unless expressly agreed to in writing by the contracting authority.

15.0 APPLICABLE LAW AND COMPLIANCE: This contract shall be governed under the laws of the State of Wisconsin. The contractor shall at all times comply with and observe all federal and state laws, local laws, ordinances, and regulations which are in effect during the period of this contract and which in any manner affect the work or its conduct. The State of Wisconsin reserves the right to cancel this contract if the contractor fails to follow the requirements of s. 77.66, Wis. Stats., and related statutes regarding certification for collection of sales and use tax. The State of Wisconsin also reserves the right to cancel this contract with any federally debarred contractor or a contractor that is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.

16.0 ANTITRUST ASSIGNMENT: The contractor and the State of Wisconsin recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Wisconsin (purchaser). Therefore, the contractor hereby assigns to the State of Wisconsin any and all claims for such overcharges as to goods, materials or services purchased in connection with this contract.

17.0 ASSIGNMENT: No right or duty in whole or in part of the contractor under this contract may be assigned or delegated without the prior written consent of the State of Wisconsin.

18.0 WORK CENTER CRITERIA: A work center must be certified under s. 16.752, Wis. Stats., and must ensure that when engaged in the production of materials, supplies or equipment or the performance of contractual services, not less than seventy-five percent (75%) of the total hours of direct labor are performed by severely handicapped individuals.

19.0 NONDISCRIMINATION / AFFIRMATIVE ACTION: In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), Wis. Stats., sexual orientation as defined in s. 111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities.

19.1 Contracts estimated to be over twenty-five thousand dollars (\$25,000) require the submission of a written affirmative action plan by the contractor. An exemption occurs from this requirement if the contractor has a workforce of less than twenty-five (25) employees. Within fifteen (15) working days after the contract is awarded, the contractor must submit the plan to the contracting state agency for approval. Instructions on preparing the plan and technical assistance regarding this clause are available from the contracting state agency.

19.2 The contractor agrees to post in conspicuous places, available for employees and applicants for employment, a notice to be provided by the contracting state agency that sets forth the provisions of the State of Wisconsin's nondiscrimination law.

19.3 Failure to comply with the conditions of this clause may result in the contractor's becoming declared an "ineligible" contractor, termination of the contract, or withholding of payment.

Standard Terms and Conditions (Request for Bids / Proposals)

- 20.0 PATENT INFRINGEMENT:** The contractor selling to the State of Wisconsin the articles described herein guarantees the articles were manufactured or produced in accordance with applicable federal labor laws. Further, that the sale or use of the articles described herein will not infringe any United States patent. The contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin (provided that such contractor is promptly notified of such suit, and all papers therein are delivered to it) for any alleged infringement of any patent by reason of the sale or use of such articles, and agrees that it will pay all costs, damages, and profits recoverable in any such suit.
- 21.0 SAFETY REQUIREMENTS:** All materials, equipment, and supplies provided to the State of Wisconsin must comply fully with all safety requirements as set forth by the Wisconsin Administrative Code and all applicable OSHA Standards.
- 22.0 WARRANTY:** Unless otherwise specifically stated by the Proposer, equipment purchased as a result of this request shall be warranted against defects by the Proposer for one (1) year from date of receipt. The equipment manufacturer's standard warranty shall apply as a minimum and must be honored by the contractor.
- 23.0 INSURANCE RESPONSIBILITY:** The contractor performing services for the State of Wisconsin shall:
- 23.1** Maintain worker's compensation insurance as required by Wisconsin Statutes, for all employees engaged in the work.
 - 23.2** Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.
 - 23.3** The state reserves the right to require higher or lower limits where warranted.
- 24.0 CANCELLATION:** The State of Wisconsin reserves the right to cancel any contract in whole or in part without penalty due to non-appropriation of funds or for failure of the contractor to comply with terms, conditions, and specifications of this contract.
- 25.0 VENDOR TAX DELINQUENCY:** Vendors who have a delinquent Wisconsin tax liability may have their payments offset by the State of Wisconsin.
- 26.0 PUBLIC RECORDS ACCESS:** It is the intention of the state to maintain an open and public process in the solicitation, submission, review, and approval of procurement activities.
- Bid/proposal openings are public unless otherwise specified. Records may not be available for public inspection prior to issuance of the notice of intent to award or the award of the contract.
- 27.0 PROPRIETARY INFORMATION:** Any restrictions on the use of data contained within a request, must be clearly stated in the bid/proposal itself. Proprietary information submitted in response to a request will be handled in accordance with applicable State of Wisconsin procurement regulations and the Wisconsin public records law. Proprietary restrictions normally are not accepted. However, when accepted, it is the vendor's responsibility to defend the determination in the event of an appeal or litigation.
- 27.1** Data contained in a bid/proposal, all documentation provided therein, and innovations developed as a result of the contracted commodities or services cannot be copyrighted or patented. All data, documentation, and innovations become the property of the State of Wisconsin.
 - 27.2** Any material submitted by the vendor in response to this request that the vendor considers confidential and proprietary information and which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or material which can be kept confidential under the Wisconsin public records law, must be identified on a Designation of Confidential and Proprietary Information form (DOA-3027). Proposers/proposers may request the form if it is not part of the Request for Bid/Request for Proposal package. Bid/proposal prices cannot be held confidential.

Standard Terms and Conditions (Request for Bids / Proposals)

- 28.0 DISCLOSURE:** If a state public official (s. 19.42, Wis. Stats.), a member of a state public official's immediate family, or any organization in which a state public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to this agreement, and if this agreement involves payment of more than three thousand dollars (\$3,000) within a twelve (12) month period, this contract is voidable by the state unless appropriate disclosure is made according to s. 19.45(6), Wis. Stats., before signing the contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (Telephone 608-266-8123).
- State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, s. 16.417, Wis. Stats.
- 29.0 RECYCLED MATERIALS:** The State of Wisconsin is required to purchase products incorporating recycled materials whenever technically and economically feasible. Proposers are encouraged to bid products with recycled content which meet specifications.
- 30.0 MATERIAL SAFETY DATA SHEET:** If any item(s) on an order(s) resulting from this award(s) is a hazardous chemical, as defined under 29CFR 1910.1200, provide one (1) copy of a Material Safety Data Sheet for each item with the shipped container(s) and one (1) copy with the invoice(s).
- 31.0 PROMOTIONAL ADVERTISING / NEWS RELEASES:** Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any state official or employee for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the State of Wisconsin. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the contracting agency.
- 32.0 HOLD HARMLESS:** The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.
- 33.0 FOREIGN CORPORATION:** A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority. Any foreign corporation which desires to apply for a certificate of authority should contact the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 261-7577.
- 34.0 WORK CENTER PROGRAM:** The successful Proposer shall agree to implement processes that allow the State agencies, including the University of Wisconsin System, to satisfy the State's obligation to purchase goods and services produced by work centers certified under the State Use Law, s.16.752, Wis. Stat. This shall result in requiring the successful Proposer to include products provided by work centers in its catalog for State agencies and campuses or to block the sale of comparable items to State agencies and campuses.
- 35.0 FORCE MAJEURE:** Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.

SUPPLEMENTAL STANDARD TERMS AND CONDITIONS For PROCUREMENTS FOR SERVICES

- 1.0 ACCEPTANCE OF BID/PROPOSAL CONTENT:** The contents of the bid/proposal of the successful contractor will become contractual obligations if procurement action ensues.
- 2.0 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION:** By signing this bid/proposal, the Proposer certifies, and in the case of a joint bid/proposal, each party thereto certifies as to its own organization, that in connection with this procurement:
- 2.1** The prices in this bid/proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Proposer or with any competitor;
 - 2.2** Unless otherwise required by law, the prices which have been quoted in this bid/proposal have not been knowingly disclosed by the Proposer and will not knowingly be disclosed by the Proposer prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other Proposer or to any competitor; and
 - 2.3** No attempt has been made or will be made by the Proposer to induce any other person or firm to submit or not to submit a bid/proposal for the purpose of restricting competition.
 - 2.4** Each person signing this bid/proposal certifies that: He/she is the person in the proposer's/proposer's organization responsible within that organization for the decision as to the prices being offered herein and that he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above; (or)

He/she is not the person in the proposer's/proposer's organization responsible within that organization for the decision as to the prices being offered herein, but that he/she has been authorized in writing to act as agent for the persons responsible for such decisions in certifying that such persons have not participated, and will not participate in any action contrary to 2.1 through 2.3 above, and as their agent does hereby so certify; and he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above.
- 3.0 DISCLOSURE OF INDEPENDENCE AND RELATIONSHIP:**
- 3.1** Prior to award of any contract, a potential contractor shall certify in writing to the procuring agency that no relationship exists between the potential contractor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the contractor and another person or organization that constitutes a conflict of interest with respect to a state contract. The Department of Administration may waive this provision, in writing, if those activities of the potential contractor will not be adverse to the interests of the state.
 - 3.2** Contractors shall agree as part of the contract for services that during performance of the contract, the contractor will neither provide contractual services nor enter into any agreement to provide services to a person or organization that is regulated or funded by the contracting agency or has interests that are adverse to the contracting agency. The Department of Administration may waive this provision, in writing, if those activities of the contractor will not be adverse to the interests of the state.
- 4.0 DUAL EMPLOYMENT:** Section 16.417, Wis. Stats., prohibits an individual who is a State of Wisconsin employee or who is retained as a contractor full-time by a State of Wisconsin agency from being retained as a contractor by the same or another State of Wisconsin agency where the individual receives more than \$12,000 as compensation for the individual's services during the same year. This prohibition does not apply to individuals who have full-time appointments for less than twelve (12) months during any period of time that is not included in the appointment. It does not include corporations or partnerships.
- 5.0 EMPLOYMENT:** The contractor will not engage the services of any person or persons now employed by the State of Wisconsin, including any department, commission or board thereof, to provide services relating to this agreement without the written consent of the employing agency of such person or persons and of the contracting agency.

Supplemental Standard Terms And Conditions For Procurements For Services

6.0 CONFLICT OF INTEREST: Private and non-profit corporations are bound by ss. 180.0831, 180.1911(1), and 181.0831 Wis. Stats., regarding conflicts of interests by directors in the conduct of state contracts.

7.0 RECORDKEEPING AND RECORD RETENTION: The contractor shall establish and maintain adequate records of all expenditures incurred under the contract. All records must be kept in accordance with generally accepted accounting procedures. All procedures must be in accordance with federal, state and local ordinances.

The contracting agency shall have the right to audit, review, examine, copy, and transcribe any pertinent records or documents relating to any contract resulting from this bid/proposal held by the contractor. The contractor will retain all documents applicable to the contract for a period of not less than three (3) years after final payment is made.

8.0 INDEPENDENT CAPACITY OF CONTRACTOR: The parties hereto agree that the contractor, its officers, agents, and employees, in the performance of this agreement shall act in the capacity of an independent contractor and not as an officer, employee, or agent of the state. The contractor agrees to take such steps as may be necessary to ensure that each subcontractor of the contractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, or partner of the state.

**APPENDIX E
VENDOR INFORMATION
AND REFERENCE SHEETS**

RFP ETC0014

Mandatory

This appendix must be completed with proposal.

**STATE OF WISCONSIN
DOA-3477 (R05/98)**

VENDOR INFORMATION

1. BIDDING / PROPOSING COMPANY NAME _____

FEIN _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

2. Name the person to contact for questions concerning this bid / proposal.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

3. Any vendor awarded over \$25,000 on this contract must submit affirmative action information to the department. Please name the Personnel / Human Resource and Development or other person responsible for affirmative action in the company to contact about this plan.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

4. Mailing address to which state purchase orders are mailed and person the department may contact concerning orders and billings.

Name _____ Title _____

Phone () _____ Toll Free Phone () _____

FAX () _____ Email Address _____

Address _____

City _____ State _____ Zip + 4 _____

5. CEO / President Name _____

This document can be made available in accessible formats to qualified individuals with disabilities.

VENDOR REFERENCE

FOR VENDOR:

Company Name

Address (include Zip + 4)

Contact Person

Phone No.

Product(s) and/or Service(s) Used

Company Name

Address (include Zip + 4)

Contact Person

Phone No.

Product(s) and/or Service(s) Used

Company Name

Address (include Zip + 4)

Contact Person

Phone No

Product(s) and/or Service(s) Used

Company Name

Address (include Zip + 4)

Contact Person

Phone No.

Product(s) and/or Service(s) Used

This document can be made available in accessible formats to qualified individuals with disabilities.

APPENDIX F COST PROPOSAL

The Proposer must adhere to the format set forth below; failure to do so may result in disqualification.

Proposers may suggest an additional fee structure. However, this fee structure will be dependent on negotiations between the Department and the winning proposer. Please describe in detail your proposal.

If the proposer believes additional pricing information would be helpful and benefit ETF in understanding the proposed costs, provide the additional information as part of the cost proposal.

Company Name:

Date:

Authorized Person:

Phone:

Title:

Signature:

1.0 Cost Response Requirements

PLEASE NOTE: The cost proposal must be submitted under separate cover and in a separate sealed envelope. **Failure to meet this requirement will result in disqualification of the proposal.**

Once an investment manager has been selected, fee negotiations may be necessary in order to account for the size of funding, the increments of funding, and any clarifications. In no case will the negotiations result in a fee that is higher than the fee contained in the proposal.

Cost data must be expressed in basis points on the average daily net assets under management. Preference will be given to fee structures that are level or declining.

- 1.1 What is your annual expense reimbursement fee?
- 1.2 Describe any revenue sharing available to pay plan expenses.
- 1.3 Do you offer a tiered fee schedule? If yes, please describe.
- 1.4 List any other applicable fees.