

Purpose. This request for proposals (RFP) provides information to enable potential Offerors to prepare and submit proposals for the Commonwealth of Pennsylvania's consideration.

1. Determination to use Competitive Sealed Proposal Method

As set forth in [Bureau of Procurement Policy Directive 2018-1](#), the Secretary of General Services has determined that the competitive sealed proposals process generally is the most practical and advantageous method for awarding contracts to obtain the best value for the Commonwealth. There are no features of this particular Project that are inconsistent with the rationale set forth in BOP Policy Directive 2018-1 and the justification for the use of competitive sealed proposals set forth in BOP Policy Directive 2018-1 is hereby adopted for this Project.

2. Issuing Office

The **State Employees' Retirement System** ("SERS," also referred to as the "Issuing Office") has issued this RFP on behalf of the State Employees' Retirement Board ("Board") and the Commonwealth. The sole point of contact for this RFP shall be Dawn Miller, Division Chief, Budget, Procurement & Operations, Pennsylvania State Employees' Retirement System, 30 North Third Street, Harrisburg, PA 17101 or at dawnmille@pa.gov, who is the Issuing Officer for this RFP. Please refer all inquiries to the Issuing Officer. Any violation of this condition may be cause for the Issuing Office to reject the offending Offeror's proposal. Offerors must agree not to distribute any part of their proposals beyond the Issuing Office. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror may be disqualified.

3. Project Description

The Board is required by the State Employees' Retirement Code (71 Pa. C.S. §5101, *et seq.*) to have an actuary make an annual valuation of the State Employees' Retirement Fund ("Fund") within six months of the end of each calendar year. However, the Board's practice is to expedite this process to occur within five months of the end of each calendar year. The actuary is to conduct an actuarial investigation and experience study of the Fund based on data, including the mortality, service, and compensation experience, during the preceding five years concerning members, annuitants, participants, and beneficiaries. The next experience study will be for the time period January 1, 2020, through December 31, 2024.

The Board is also responsible for administering the Benefits Completion Plan ("BCP"), established in the Retirement Code as a Qualified Governmental Excess Benefit Arrangement in accordance with Internal Revenue Code ("IRC") §415(m), to provide benefits that would have otherwise been limited by IRC §415(b). Enabling legislation for the BCP was enacted in December 2002, an IRC Private Letter Ruling was received in December 2003, and the first payments were made in July 2004.

The Fund and the BCP are separate and distinct trusts. Separate employer contribution rates to the two trusts are calculated, although SERS employers may be assessed one overall contribution rate, which is the combination of the two rates. The contractor will be required to make an annual valuation for the BCP within five months of the end of the calendar year.

Since January 1, 2019, the Board has administered the State Employees' Defined Contribution Plan ("SEDCP"), an IRC §401(a) defined contribution plan established in the Retirement Code

that has both employer and employee contributions. Although the SEDCP does not currently offer an annuity payment option, there is some ancillary actuarial consulting work involved in the Board's administration of the SEDCP.

The Board also administers the Commonwealth's Deferred Compensation Plan ("DCP"), an IRC §457(b) deferred compensation plan. The DCP is established under 72 P.S. §4521.2. This is a voluntary program for employee contributions. There are no employer contributions to the DCP. Not all members of SERS and participants in the SEDCP are eligible to participate in the DCP. Although the DCP does not currently offer an annuity payment option, there is some ancillary actuarial consulting work involved in the Board's administration of the DCP.

In addition to the above requirements, the Board expects the contractor to accomplish all other desired services as described, which includes actuarial services and pension plan consulting services in such areas as strategic planning, benefit communications, plan design, and human resource issues. Additional detail is provided in the **Technical Submittal** portion of this RFP.

The Board uses a single staff and set of professional consultants and investment advisors and managers for the administration of all the retirement and pension plans that it administers.

4. Type of Contract

If the Issuing Office enters into a contract as a result of this RFP, it will be an established price contract and will contain the terms and conditions attached to this RFP in the **Buyer Attachments** section.

5. Small Diverse Business ("SDB") and Veteran Business Enterprise ("VBE") Participation. The Department of General Services' Bureau of Diversity, Inclusion and Small Business Opportunities (BDISBO) has developed a goal setting policy based upon recommendations from its 2018 Disparity Study. The goal setting policy requires BDISBO and agencies to identify contract-specific participation goals for Small Diverse Businesses (which include Minority Business Enterprises, Women Business Enterprises, LGBT Business Enterprises, and Disability-Owned Business Enterprises) and Veteran Business Enterprises (which include Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses). Proposers must either agree to meet the participation goals in full or must request a full or partial Good Faith Efforts waiver from one or both of the participation goals. Failure to meet the participation goals or establish they have made good faith efforts to meet the participation goals will result in rejection of a proposal as nonresponsive. The goals that have been established for this Project are set forth below:

SDB – 13%

VBE – 3%

Further information can be found in RFP Questions Groups 1.2 and 1.3.

6. New SDB and VBE Goal Information Session. The Commonwealth has made significant changes to the SDB and VBE requirements, and failure to meet these requirements may result in your proposal being deemed nonresponsive. Therefore, the Issuing Office will hold an SDB and

VBE Goal Information Session for this RFP which we highly recommend you attend. The purpose of this Session is to provide an overview of the RFP and SDB and VBE Participation submission instructions. Offerors may ask questions in accordance with **Section 9, Questions and Answers** contained in this **Description Section**. Offerors may also ask questions during the Session, however responses provided during the Session are **not official** until the question is submitted in writing using the **Q&A Board** in JAGGAER. Q&A Board questions and written responses shall become part of this RFP.

The location, date, and time of the SDB and VBE Goal Information Session are as follows:

SDB and VBE Goal Information Session – via Skype Tuesday, January 19, 2021 @ 1:00 PM

An RSVP to the SDB and VBE Goal Information Session is due via email to Tonya Troutman ttroutman@pa.gov and Dawn Miller dawnmille@pa.gov by January 13, 2021 @ 3:00 PM.

7. Rejection of Proposals

The Issuing Office reserves the right, in its sole and complete discretion, to reject any proposal received as a result of this RFP.

8. Incurring Costs

The Issuing Office is not liable for any costs the Offeror incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the contract.

9. Questions & Answers

Questions must be submitted using the **Q&A Board** within this event. Questions must be submitted as individual questions. Questions must be submitted by the posted deadline. All questions and responses are considered an addendum to and part of this RFP. The Issuing Office shall not be bound by any verbal information, nor shall it be bound by any written information that is not either contained within the RFP or formally issued by the Issuing Office. The Issuing Office does not consider questions to be a protest of the specifications or the solicitation.

10. Addenda to the RFP

Any revisions to this RFP will be made electronically within this site.

11. Response Date

To be considered for selection, electronic proposals must be submitted on or before the time and date specified. The Issuing Office will reject any late proposals.

12. Proposal Submission

To be considered, Offerors must submit a complete response to this RFP by the due date and time from an official authorized to bind the Offeror to its provisions along with any additional Mandatory Responsiveness requirements as set forth in the Mandatory Responsive Requirements section, which are the only RFP requirements that the Commonwealth will consider to be not waivable. The Issuing Office reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformities in an Offeror's proposal, (2) allow the Offeror to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Offeror's proposal. The proposal must remain valid for **120 days** or until a contract is fully executed, whichever is later. If the Issuing Office selects the Offeror's proposal for award, the contents of the selected Offeror's proposal will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

13. Proposal Format

To be considered, the Offeror must respond to all proposal requirements. Each proposal consists of four submittal components: Technical, Cost, SDB Participation Submittal (along with the SDB Utilization Schedule, Good Faith Efforts Waiver request, or both) and VBE Participation Submittal (along with the VBE Utilization Schedule, Good Faith Efforts Waiver request, or both). Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as attachments. The Issuing Office reserves the right to request additional information which, in the Issuing Office's opinion, is necessary to assure that the Offeror's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP. The Issuing Office may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, and the Offeror shall furnish to the Issuing Office all requested information and data.

14. Mandatory Responsiveness Requirements. To be eligible for selection, the proposal must be:

- A. Timely received from and timely submitted by an Offeror (see Proposal Submission section);
- B. Electronically signed by the Offeror (see Proposal Submission section);
- C. Contain a completed SDB participation submittal and additional required documentation; and either (a) agree to meet the SDB participation goal in full or (b) receive an approved GFE waiver from any unmet portion of the SDB participation goal; **and**
- D. Contain a completed VBE participation submittal and additional required documentation; and either (a) agree to meet the VBE participation goal in full or (b) receive an approved VBE waiver from any unmet portion of the VBE participation goal.

15. Alternate Proposals

The Issuing Office has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Issuing Office will not accept alternate proposals.

16. Discussions for Clarification

Offerors may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and responsiveness to the solicitation

requirements. The Issuing Office will initiate requests for clarification. Clarifications may occur at any stage of the evaluation and selection process prior to contract execution.

17. Prime Contractor Responsibilities

The selected Offeror must perform **at least 50% of the total contract value**. Nevertheless, the contract will require the selected Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. Further, the Issuing Office will consider the selected Offeror to be the sole point of contact with regard to all contractual matters.

18. Proposal Contents

A. Confidential Information: The Commonwealth is not requesting confidential proprietary information or trade secrets to be included as part of Offerors' submissions. Accordingly, except as provided herein, Offerors should not label proposal submissions as confidential or proprietary or trade secret protected. Any Offeror who determines that it must divulge such information as part of its proposal must submit the signed written statement described in subsection C. below. After contract award, the selected Offeror must additionally provide a redacted version of its proposal, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

B. Commonwealth Use: All material submitted with the proposal shall be considered the property of the Commonwealth of Pennsylvania. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of a contract. Notwithstanding any Offeror copyright designations contained in proposals, the Commonwealth shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure **requirements** under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.

C. Public Disclosure: After the award of a contract pursuant to this RFP, or the opening and rejection of all bids submitted in response thereto, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. §67.101, *et seq.* If a proposal submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. §67.707(b) for the information to be considered exempt under 65 P.S. §67.708(b)(11) from public records requests. Refer to the **Additional Required Documentation** section for a **Trade Secret Confidential Proprietary Information Notice Form** that may be utilized as the signed written statement, if applicable. If financial capability information is submitted, such financial capability information is exempt from public records disclosure under 65 P.S. §67.708(b)(26).

19. Best and Final Offers (BAFO)

The Issuing Office reserves the right to conduct discussions with Offerors for the purpose of obtaining "best and final offers" in one or more of the following ways, in any combination and

order: schedule oral presentations, request revised proposals, conduct an online auction, and enter into pre-selection negotiations.

The following Offerors will **not** be invited by the Issuing Office to submit a Best and Final Offer: those Offerors which the Issuing Office has determined to be not responsible or whose proposals the Issuing Office has determined to be not responsive; those Offerors which the Issuing Office has determined in accordance with the **Offeror Responsibility** subsection from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications to assure good faith performance of the contract; and those Offerors whose score for their technical submittal of the proposal is less than 75% of the total amount of technical points allotted to the technical criterion.

The Issuing Office may further limit participation in the best and final offers process to those remaining responsible Offerors which the Issuing Office has determined to be within the top competitive range of responsive proposals. The Evaluation Criteria shall also be used to evaluate the Best and Final offers. Price reductions offered through any online auction shall have no effect upon the Offeror's Technical Submittal.

20. News Releases

Offerors shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.

21. Term of Contract

The term of the contract will commence on the Effective Date and will end five (5) years after Effective Date or after a reasonable transition period at SERS' sole discretion. The Issuing Office will fix the Effective Date after the contract has been fully executed by the selected Offeror and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The selected Offeror shall not start the performance of any work prior to the Effective Date of the contract, and the Commonwealth shall not be liable to pay the selected Offeror for any service or work performed or expenses incurred before the Effective Date of the contract.

22. Notification of Selection for Contract Negotiations

The Issuing Office will notify all Offerors in writing of the Offeror selected for contract negotiations after the Issuing Office has determined, taking into consideration all of the evaluation factors, the proposal that is the most advantageous to the Issuing Office. Prior to execution of the contract resulting from the RFP, the selected Offeror must be registered in the Commonwealth of Pennsylvania's Vendor Master file. In order to register, Offerors must visit the Pa Supplier Portal at <https://www.pasupplierportal.state.pa.us/> or call the Customer Support Center at 877-435-7363.

23. Notification of Award

Offerors whose proposals are not selected will be notified when contract negotiations have been successfully completed, and the Issuing Office has received the final negotiated contract signed by the selected Offeror.

24. Debriefing Conferences

Upon notification of award, Offerors whose proposals were not selected will be given the opportunity to be debriefed. The Issuing Office will schedule the debriefing at a mutually agreeable time. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror's proposal in relation to all other Offeror proposals. An Offeror's exercise of the opportunity to be debriefed does not constitute nor toll the time for filing a protest.

25. RFP Protest Procedure

The RFP Protest Procedure is on the DGS website at [click here](#). A protest by a party that has not or has not yet submitted a proposal must be filed no later than the proposal submission deadline. Offerors may file a protest within seven days after the protesting Offeror knew or should have known of the facts giving rise to the protest, but in no event may an Offeror file a protest later than seven days after the date the notice of award of the contract is posted on the DGS website. The date of filing is the Issuing Office's date of receipt of the protest. A protest must be filed in writing with the Issuing Office. To be timely, the protest must be received by 4:00 p.m. on the seventh day.

26. Attachments to the RFP

All attachments to the RFP, including those contained in the **Buyer Attachments, RFP Questions** and **Additional Required Documentation** sections, are incorporated into and made part of the RFP.

27. Evaluation Criteria

The Issuing Office has selected a committee of qualified personnel to review and evaluate timely submitted proposals. The following criteria will be used in evaluating each proposal:

A. Technical: The Issuing Office has established the weight for the Technical criterion for this RFP as **65%** of the total points. Evaluation will be based upon the following: **Personnel Qualifications, Offeror Qualifications, Understanding the Problem, and Soundness of Approach**. The final Technical scores are determined by giving the maximum number of technical points available to the proposal(s) with the highest raw technical score. The remaining proposals are rated by applying the Technical Scoring Formula set forth at the following webpage: [click here](#)

B. Cost: The Issuing Office has established the weight for the Cost criterion for this RFP as **35%** of the total points. The cost criterion is rated by giving the proposal with the lowest total cost the maximum number of Cost points available. The remaining proposals are rated by applying the Cost Formula set forth at the following webpage: [click here](#)

C. Domestic Workforce Utilization: Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFP. The maximum amount of bonus points available is 3% of the total points for this RFP. To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those Offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the

geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. The Domestic Workforce Utilization Formula is at the following webpage: [Click here](#)

28. Offeror Responsibility

To be responsible, an Offeror must submit a responsive proposal and possess the capability to fully perform the contract requirements in all respects and the integrity and reliability to assure good faith performance of the contract. In order for an Offeror to be considered responsible for this RFP and therefore eligible for selection for best and final offers or selection for contract negotiations:

The total score for the technical submittal of the Offeror's proposal must be greater than or equal to **75%** of the available technical points and the Offeror must demonstrate the financial capability to assure good faith performance of the contract.

An Offeror who fails to demonstrate sufficient financial capability to assure good faith performance of the contract as specified herein may be considered by the Issuing Office, in its sole discretion, for Best and Final Offers or contract negotiation contingent upon such Offeror providing contract performance security for the first contract year cost proposed by the Offeror in a form acceptable to the Issuing Office. Based on the financial condition of the Offeror, the Issuing Office may require a certified or bank (cashier's) check, letter of credit, or performance bond conditioned upon the faithful performance of the contract by the Offeror. The required performance security must be issued or executed by a bank or surety company authorized to do business in the Commonwealth. The cost of the required performance security will be the sole responsibility of the Offeror and cannot increase the Offeror's cost proposal or the contract cost to the Commonwealth.

Further, the Issuing Office will award a contract only to an Offeror determined to be responsible in accordance with the most current version of [Commonwealth Management Directive 215.9, Contractor Responsibility Program](#).

29. Final Ranking and Award

After any best and final offer process is conducted, the Issuing Office will combine the evaluation committee's final technical scores, the final cost scores, and the domestic workforce utilization scores. The Issuing Office will rank responsible Offerors according to the total overall score assigned to each in descending order. The Issuing Office must select for contract negotiations the Offeror with the highest overall score. The Issuing Office has the discretion to reject all proposals or cancel the request for proposals at any time prior to the time a contract is fully executed when it is in the best interests of the Commonwealth. The reasons for the rejection or cancellation shall be made part of the contract file.