



CITY OF *Los Angeles* DEFERRED COMPENSATION PLAN

Board Report 21-14

Date: March 16, 2021

To: Board of Deferred Compensation Administration

From: Staff

Subject: Deferred Compensation Plan Request for Proposals – Investment Consulting Services

Board of Deferred Compensation Administration
Thomas Moutes <i>Chairperson</i>
Raymond Ciranna <i>Vice-Chairperson</i>
Robert Schoonover <i>First Provisional Chair</i>
Wendy G. Macy <i>Second Provisional Chair</i>
WPERP Representative <i>Vacant</i>
Joshua Geller
Neil Guglielmo
Linda Le
Baldemar J. Sandoval

Recommendation:

That the Board of Deferred Compensation Administration (Board) approve and authorize the issuance of the draft Request for Proposals (RFP) for investment consulting services for the City of Los Angeles Deferred Compensation Plan (DCP).

Discussion:

A. Background

The Board utilizes expert consulting services in three areas: investment consulting, plan administration consulting, and communications consulting. Below is a summary of the current contracts for these services:

Consulting Service	Consulting Firm	Term
Investment Consulting	Mercer Investment Consulting (Mercer)	Initial Term – 7/1/15 to 6/30/18 Amendment No. 1 – 7/1/18 to 6/30/20 Amendment No. 2 – 7/1/20 to 12/31/21 Total Contract Term – 6.5 years
Plan Administration and Communications Consulting	Segal Consulting	Initial Term – 8/5/20 to 8/4/25 Total Contract Term – 5 years

Mercer provides investment consulting services in three primary categories under its contract: (1) ongoing investment performance monitoring and reporting; (2) investment manager searches; and (3) ad hoc miscellaneous research and other as-needed assignments. The 6.5 year contract with Mercer will expire on December 31, 2021. At its January 19, 2021 meeting, the Board adopted the completion of a RFP for DCP investment consulting services as one of its strategic initiatives for Plan Year 2021.

B. Investment Consulting Services RFP

(1) RFP Contents

Staff has completed a draft RFP for investment consulting services (**Attachment A**). The purpose of the RFP is to obtain proposals from qualified entities that will provide the DCP with as-needed investment consulting services in the following areas:

- Investment option monitoring, analysis, and reporting
- Procurements and searches
- Contract review and development
- Fund transition services
- Custom research, training, and other services

The RFP incorporates the DCP best practices for procurement processes, including the following:

- **Plan Profile & Scope of Services** – The Plan Profile & Scope of Services section of the RFP provides detailed information to the proposer community regarding the DCP and service requirements;
- **Proposal Questionnaire** – The proposal questionnaire requests information in narrative and data driven formats and represents the most substantial portion of the inquiries and means by which the City will compare and assess, qualitatively and quantitatively, each proposer’s services and capabilities; and
- **Engagement Exercise** – Proposers will be required to participate in a non-rated engagement exercise for the sole purpose of clarifying their written responses to the RFP. The engagement exercise will occur on a date to be determined by DCP staff. The engagement exercise will be on specific topic(s) included within the RFP proposal questionnaire and all proposers will receive advance notice of the topic(s).

Lastly, the RFP contains the City’s general contracting requirements, including its Standard Provisions as well as other policies and ordinances applying to proposers and contractors. Note that while DCP investment management services are exempted from many of these requirements, those exemptions do not apply to other types of DCP services (including consulting).

(2) RFP Evaluation

The proposed RFP provides that, following their submission, all proposals will first be reviewed to determine (a) completeness of required documentation and (b) compliance with the City’s administrative and general contracting requirements. Proposals deemed non-responsive will be eliminated from further consideration. A proposer may file a protest regarding disqualification in accordance with the specifications outlined in the draft RFP.

The proposed evaluation criteria and their weightings are outlined in Section 5 of the draft RFP. The proposed review committee for this RFP includes a minimum of two DCP staff members. The

review committee is charged with evaluating, scoring, and summarizing all of the proposal responses and results. Upon completion of its review and analysis, the review committee will present a report to the Board with findings and a recommendation for selection. At that point, the Board will have the option to interview the highest-scoring firm or firms or proceed directly to making its selection. While the RFP provides the Board discretion to choose which firm(s) it may interview, the document makes clear that the evaluation and scoring will be based strictly on the written proposer responses to the RFP proposal questionnaire by the review committee.

Minor additional edits and final modifications as to form may be made to the current draft RFP pending review by the City Attorney and staff prior to issuance. With this qualification, staff recommends that the Board approve and authorize the issuance of the draft RFP for DCP investment consulting services as provided in **Attachment A**.

C. Procurement Reminder for Board Members and Staff


At its meeting on February 18, 2020, the Board directed staff to discontinue the use of procurement pledge forms and instead, provide timely and regular education on procurement responsibilities to Board members and staff, including: (a) a review of procurement responsibilities during new staff/Board member orientations; (b) annual procurement responsibility reminders/reviews at the beginning of each calendar year; and (c) procurement responsibility reminders upon submission to the Board of draft RFPs. The annual procurement reminder is provided in Board Report 21-19 and staff is also including the procurement reminder (**Attachment B**) as part of this report per the Board’s direction to do so upon the submission of draft RFPs to the Board.

D. Procurement Schedule

The following project plan summary includes a tentative timeline for RFP:

Month(s)	Action	Status
March 2021	Board review and approval of draft RFP	Scheduled March 16, 2021
April 2021	Release RFP	Upcoming
May 2021	Proposals due	Upcoming
June – July 2021	Review and scoring of proposals	Upcoming
August 2021	Board consideration of review committee’s recommendation	Upcoming
January 1, 2022	Commencement of services	Upcoming

The proposed schedule will provide sufficient time for the Board to consider the review committee’s evaluation and recommendation and for staff to onboard a new consultant, if required, in the fall of 2021 prior to services beginning on January 1, 2022.

Submitted by: 

 Jenny M. Yau, Senior Management Analyst II

Approved by:



Steven Montagna, Chief Personnel Analyst

REQUEST FOR PROPOSAL
City of Los Angeles Deferred Compensation Plan
Investment Consulting Services
City of Los Angeles Personnel Department, Employee Benefits Division
On behalf of the Board of the Deferred Compensation Administration

DATE ISSUED: _____, 2021

TITLE: **INVESTMENT CONSULTING SERVICES FOR THE CITY OF LOS ANGELES DEFERRED COMPENSATION PLAN**

CONTRACT TERM: **UP TO FIVE (5) YEARS**

MANDATORY PRE-PROPOSAL CONFERENCE:

_____, 2021
_____ a.m. Pacific Time
Conducted via Teleconference

Attend via Zoom

Visit:

Meeting Number:

Attend via Teleconference Only*

Dial: + _____ USA (Los Angeles)

Enter access code: _____ #, and then press # again.

*Those attending by telephone will need to download the presentation from www.labavn.org prior to the start of the conference.

Note: The Pre-Proposal Conference date, time, and attendance information is subject to change. All updates will be posted at www.labavn.org.

PROPOSAL DELIVERY ADDRESS:

Request for Proposal (RFP) Administrator

City of Los Angeles

Attn: [Name]

[Email]

[Address]

DEADLINE FOR SUBMITTING PROPOSAL: _____, 2021 at 3:00 p.m. Pacific Time.

DEADLINE FOR OUTREACH TO SUBCONTRACTORS (pursuant to the City's Business Inclusion Program outreach requirements): _____, 2021 at 11:59 p.m. Pacific Time.

REQUEST FOR PROPOSAL (RFP) ADMINISTRATOR:

Name: _____
Phone: _____
Email: _____

DRAFT

PART A

TABLE OF CONTENTS

PAGE NUMBER

Section 1: Introduction & Background	—
Section 2: Scope of Services	—
Section 3: Proposal Questionnaire	—
Section 4: Submission Requirements	—
Section 5: Evaluation of Proposals	—
Section 6: General Terms & Conditions	—

PART B

Exhibit A – City of Los Angeles General Contracting Requirements (Rev. 10/17)

DRAFT

SECTION 1

INTRODUCTION & BACKGROUND

1.0 INTRODUCTION

The City is seeking expert investment consulting services from one or more providers for the City of Los Angeles Deferred Compensation Plan (“DCP”). The contemplated services will be on an as-needed basis. The DCP is an Internal Revenue Code (IRC) Section 457 non-qualified tax-advantaged savings program for eligible City employees. The Plan was established in 1983, pursuant to City of Los Angeles Administrative Code, Division 4, Chapter 14, Sec. 4.1400-4.1410.

1.1 BACKGROUND

The Board of Deferred Compensation Administration (“Board”) administers the DCP. The nine-member Board is comprised of: (1) three elected active employee representatives from the Los Angeles City Employees’ Retirement System (“LACERS”), Los Angeles Fire and Police Pensions (“LAFPP”), and Water & Power Employees’ Retirement Plan (“WPERP”); (2) an elected retired participant representative; (3) the LACERS General Manager; (4) the LAFPP General Manager; (5) the WPERP Plan Manager; (6) the Personnel Department General Manager; and (7) a certified Union Representative. The Board has administrative responsibility, including contract authority, for the DCP.

As of September 30, 2020, the DCP held \$7.6 billion in assets and included over 50,000 participants. More detailed information regarding the DCP is included in its 2019 Annual Report, which can be found at <https://LA457.com/annual-reports>, or in other supplemental reports provided to the Board which are published on the DCP website at LA457.com.

The City’s Personnel Department, Employee Benefits Division (EBD) provides staff support to the Board and provides day-to-day administrative support of the DCP. EBD staff generally performs the following functions:

- Manage the day-to-day operations of the DCP
- Develop policy and plan design recommendations
- Function as a liaison to DCP service providers
- Administer all DCP-related contracts; and
- Facilitate all aspects of employee/beneficiary participation in the DCP

The Office of the City Attorney (“City Attorney”) serves as the Board’s legal counsel. The City Attorney provides legal support to the DCP. Such support includes reviewing procurement announcements, contracts, advising on City, State and federal laws,

providing guidance in regards to various administrative functions, such as beneficiary claims, and processing Qualified Domestic Relations Orders (QDROs).

The Board presently contracts with Voya Financial (“Voya”) to provide third-party administration of the DCP, including recordkeeping, enrollment, counseling, and communications. In addition, Voya provides passive trustee services for the DCP. All DCP assets are held in trust for the exclusive benefit of DCP participants and their beneficiaries, in accordance with federal and Los Angeles Administrative Code requirements.

Mercer Investments is the incumbent firm providing investment consulting services to the Board. The DCP also has a separate contract with Segal Consulting for plan administration and communications consulting services.

As of December 31, 2020, the DCP offered the following investment options in its investment menu:

Investment Option	Provider(s)	Account Type
DCP FDIC-Insured Savings Account	Bank of the West	Savings Account
	East West Bank	Savings Account
DCP Stable Value Fund	Galliard Capital Management	Separate Account
DCP Bond Fund (blended)	Loomis Sayles Core Plus Bond	Mutual Fund
	Vanguard Total Bond Market Index Institutional Plus	Mutual Fund
DCP Large-Cap Stock Fund	Vanguard Institutional Index Plus	Mutual Fund
DCP Mid-Cap Stock Fund	Vanguard Mid-Cap Index Fund Institutional	Mutual Fund
	Virtus Ceredex Mid-Cap Value Equity Fund	Mutual Fund
	Voya MidCap Opportunities Fund	Mutual Fund
DCP Small-Cap Stock Fund	Vanguard Small Cap Index Fund	Mutual Fund
	DFA US Small Cap Value Portfolio	Mutual Fund
	Hartford Small Cap Growth HLS Fund	Mutual Fund
DCP International Stock Funds (not blended)	MFS Institutional International Equity Fund	Mutual Fund
	Brandes International Small Cap Equity Fund	Mutual Fund
	DFA Emerging Markets Core Equity Portfolio	Mutual Fund

1.2 INVESTMENT CONSULTING SERVICES

The purpose of this RFP is to obtain proposals from qualified service providers offering investment consulting services in the following primary categories:

- Investment option monitoring and reporting;
- Procurement search, development, review, and contract development for investment managers;
- Fund transition services; and
- Ad hoc miscellaneous research and other assignments.

The Board reserves the right to contract with multiple Proposers pursuant to this RFP and to select more than one Proposer to provide investment consulting services.

1.3 DEFINITIONS OF TERMS

The following terms used in the RFP documents shall be defined as follows:

- **“Agreement”** or **“Contract”** means the contract to be entered into between the Board and Proposer(s).
- **“Bidder”** or **“Proposer”** means the entity that responds to the Request for Proposal.
- **“Board”** means the City of Los Angeles Board of Deferred Compensation Administration.
- **“City”** means the City of Los Angeles.
- **“Investment Consulting”** means the investment consulting services as described in this RFP.
- **“Contract Effective Date”** means the effective date of the contract.
- **“Contractor or Vendor”** means the individual, partnership, corporation, or other entity to which a contract is awarded.
- **“DCP”** means the City of Los Angeles Deferred Compensation Plan, established pursuant to Section 457 of the Internal Revenue Code (“IRC”).
- **“Department”** means the City of Los Angeles, Personnel Department or its successor department.
- **“Employee Benefits”** or **“EBD”** means the Employee Benefits Division of the City of Los Angeles, Personnel Department.
- **“Institutional Manager Procurement”** or **“IMF”** means the issuance of a Request for Proposals (RFP) for and development of a contract with providers of separate accounts, commingled funds, and any other investment product requiring a contract between the plan sponsor and the investment provider.
- **“Investment Policy Statement”** or **“IPS”** means the Investment Policy Statement adopted for the DCP.
- **“Mutual Fund Search”** or **“MFS”** means applying a search screening process to a large proprietary or leased mutual fund database for the purpose of identifying mutual funds best meeting DCP investment objectives.
- **“Proposal Submission Deadline”** means the date proposals are due as identified within this RFP.
- **“RFP”** means this Request for Proposal.

- **“RFP Administrator”** means the City staff person serving as the primary point of contact for this RFP.
- **“Staff”** means employees of the City who provide assistance and support to the Board.
- **“TPA”** means the Third-Party-Administrator of the DCP.

1.4 CONTRACT TERM

The initial term of any contract(s) awarded pursuant to this RFP shall be for a period of up to five years (inclusive of any option clause) from the Contract Effective Date as provided for by the final contract, subject to the termination provisions therein. The Board may, in its sole discretion, seek an extension of the term beyond the initial five-year term.

1.5 RFP CONTENTS

The contents of this RFP are as follows:

PART A – Sections 1-6 of this RFP.

PART B – The City of Los Angeles General Contracting Requirements and Attachments, which includes the City of Los Angeles Standard Provisions for City Contracts (Rev. 10/17) and other general contracting requirements that must be reviewed and completed by Proposers as specified for a proposal to be deemed responsive.

1.6 RFP CONTACT INFORMATION

The Board and staff are committed to ensuring that all DCP business transactions, including procurement processes, are based strictly on integrity, competence, merit, and benefit to DCP participants and their beneficiaries. As a matter of policy and consistent with the City’s ethics rules, Board members and staff will not communicate with current Contractors or Proposers or their representatives, or any other person or organization, for the purpose or intent of having a particular Contractor or Proposer secure or maintain a contract or business with the DCP, or otherwise realize financial gain from the DCP, whether during or outside of the procurement process.

In support of this, and to ensure the transparency and objectivity of this procurement process, all communications and questions regarding or related to the services included in this RFP should be directed to the RFP Administrator. All questions and responses to questions, or any other changes to or interpretation of the RFP, will be posted online at www.labavn.org.

1.7 PROPOSAL TIMELINE AND MANDATORY PRE-PROPOSAL CONFERENCE

The Board intends to award a contract, in a form approved by the City Attorney, to the selected Proposer(s). Written proposals submitted to the City constitute a legally binding contract offer and shall remain open for twelve (12) months. It is requested that proposals

be prepared simply and economically, avoiding the use of unnecessary promotional material. If a Proposer is deemed non-responsive during the proposal process, the Proposer will be eliminated from further consideration of this RFP.

1.7.1 Proposal Timeline

The following is the current timeline for the RFP process. The City reserves the right to adjust this schedule. Changes to the timeline, if any, will be posted online as an RFP Addendum.

Proposal Dates	Event
_____, 2021	Request for Proposal released
_____, 2021	<p>Mandatory Pre-Proposal Conference regarding general contracting requirements at _____ a.m. Pacific Time.</p> <p><u>Held via Teleconference</u></p> <p><u>Attend via Zoom</u> Visit: Meeting Number:</p> <p><u>Attend via Telephone only*:</u> Dial: + _____ USA (Los Angeles) Enter access code: _____ #, and then press # again.</p> <p><i>*Those attending by telephone will need to download the presentation from www.labavn.org prior to the start of the conference.</i></p> <p><i>Note:</i> Pre-Proposal Conference date, time, and attendance information is subject to change. All updates will be posted at www.labavn.org.</p>
_____, 2021	Deadline for receiving written questions regarding the services requested in the RFP is 4:00 p.m. Pacific Time.
_____, 2021	General contracting requirements preliminary submission deadline is 3:00 p.m. Pacific Time.
_____, 2021	Deadline for proposers to issue written solicitations to subcontractors via www.labavn.org website. This step must be completed by 11:59 p.m. Pacific Time to avoid risk of late submission.
_____, 2021	<u>RFP responses due by 3:00 p.m. Pacific Time to the RFP Administrator at the email or physical address identified on page two of this RFP.</u>

_____, 2021	Business Inclusion Program (BIP) Summary Sheet submission due on www.labavn.org at 4:30 p.m. Pacific Time.
July 2021	Target for consultant selection and beginning contract negotiations
December 2021	Target for executing contract
January 2022	Commencement of services

1.7.2 Mandatory Pre-Proposal Conference

A **mandatory** Pre-Proposal Conference will be held via Zoom/teleconference to provide information regarding the RFP requirements and answer questions from prospective Proposers regarding this RFP. City staff will not provide assistance regarding a Proposer's individual RFP response.

The Pre-Proposal Conference has been scheduled pursuant to the schedule noted in the Proposal Timeline. Participants will be asked to identify themselves by name and firm.

The Pre-Proposal Conference attendance information is provided in the Proposal Timeline of this RFP. The Pre-Proposal Conference presentation will be posted to www.labavn.org prior to the start of the Pre-Proposal Conference for those interested in participating by telephone only. Attendance will be taken at the **beginning and end** of the Pre-Proposal Conference. Proposers must remain for the duration of the Pre-Proposal Conference. Failure to attend and remain through the end of the Pre-Proposal Conference will result in a Proposer being deemed **non-responsive** and ineligible to submit a proposal in response to this RFP. Proposers may have multiple representatives attend the conference.

It is to the Proposer's benefit to bring its own copy of the RFP, particularly the City's General Contracting requirements, to the conference. All documents will be available on www.labavn.org prior to the start of the Pre-Proposal Conference.

Note: *Pre-Proposal Conference date, time, and attendance information is subject to change. All updates will be posted at www.labavn.org.*

1.8 QUESTIONS REGARDING THE RFP

All questions regarding the RFP should be submitted **in writing** and sent via email to the RFP Administrator. Please identify the RFP title on the subject line of your message. All questions should identify the RFP section and page number, or the relevant General Contracting provision, for each question submitted. Questions regarding General Contracting requirements may be accepted and addressed at the Pre-Proposal

Conference. However, certain responses may be deferred and posted online as addenda to the RFP at a later date.

The City will make every effort to respond to all written questions as soon as practical. All questions and responses to questions, or any other changes to or interpretation of the RFP, will be posted online at www.labavn.org. Any such changes or interpretations shall become a part of this RFP and may be incorporated into any Contract awarded pursuant thereto.

1.9 GENERAL CONTRACTING REQUIREMENTS PRE-SUBMISSION OPTION AND SUBMISSION DEADLINES

The City's General Contracting Requirements are included in Part B, which is attached hereto. Part B contains the Standard Provisions for City Contracts (Rev. 10/17) and a variety of documents and forms with which prospective Proposers must demonstrate compliance to be awarded a City contract.

Within Part B is a list of requirements that must be fully met, including forms to be completed and submitted and details regarding certain processes which must be followed by Proposers as part of their RFP response. **Failure to meet any of these requirements to the satisfaction of the City by the RFP Proposal Submission Deadline will result in disqualification of the Proposer's proposal as being non-responsive and eliminate the proposal from further consideration in the evaluation process.**

The City will provide Proposers an opportunity to demonstrate responsiveness to the City's General Contracting Requirements at a date prior to the Proposal Submission Deadline. Proposers are not required to complete and submit their General Contracting Requirements forms and processes by the Preliminary Submission Deadline; however, it may be to their advantage to do so. If a Proposer utilizes this option, City staff will identify whether the documents as submitted are or are not responsive to the City's requirements. If deemed non-responsive, the Proposer will have time to demonstrate responsiveness no later than the RFP Proposal Submission Deadline. Following the Proposal Submission Deadline, there will be no further opportunity for demonstrating responsiveness to the City's General Contracting Requirements. Failure to adequately demonstrate responsiveness to the City's General Contracting Requirements, or a rejection by the Proposer of those requirements or the Standard Provisions for City Contracts (Rev. 10/17), will result in disqualification of the proposal and shall eliminate the proposal from further consideration in the evaluation process. The relevant dates with respect to this process are included in the Proposal Timeline.

1.10 RFP PROPOSAL SUBMISSION DEADLINE

Responses to this RFP must be submitted by electronic copy and must be received by the RFP Administrator by the Proposal Submission Deadline identified at the beginning of this RFP and in the Proposal Timeline. **Late responses (i.e., proposals received after the Proposal Submission Deadline) will not be considered, and if applicable,**

will be returned unopened to the Proposer. The City reserves the right to extend the Proposal Submission Deadline should this be in the interest of the City.

DRAFT

SECTION 2

SCOPE OF SERVICES

Investment consulting services for the DCP will be directed by the Board and Staff on an as-needed basis. Such services will consist of the following:

2.0 INVESTMENT OPTION MONITORING, ANALYSIS, AND REPORTING

The selected Proposer shall provide the following investment option monitoring, analysis, and reporting services in accordance with the Investment Policy Statement:

- Evaluate performance results and investment management fees relative to the appropriate benchmark and peer rankings for each investment fund option;
- Advise Staff and the Board of significant changes impacting the DCP's funds including management team depth and personnel stability, portfolio construction, adherence to style objectives, and organizational stability;
- Advise Staff and the Board as to the continuing appropriateness of each DCP investment manager and each investment fund option, including making recommendations for termination as necessary and in accordance with the Investment Policy Statement;
- Recommend modifications to the DCP regarding the overall investment program including the Investment Policy Statement, fund selection/deletion, and performance objectives and standards for each investment fund option;
- Inform staff and the Board of relevant investment, economic, and related trends and issues which may impact the DCP and its investment offerings;
- Provide staff and the Board with special analytical and custom reporting requests, as needed; and
- No less than quarterly, prepare and present written and verbal analysis and summary on the economy, financial markets, and the DCP's specific investment options, investment manager activities and organizational changes, and investment performance and related considerations.

2.1 PROCUREMENTS AND SEARCHES

The selected Proposer shall assist the Board and Staff in developing procurement and search processes for investment management services. Investment management services include professional management of mutual funds, separate accounts, variable annuities, commingled funds, bank/money market funds, certificates of deposit, and other such holding vehicles for all investment options made available within the DCP core investment menu.

The Board has established two options within its IPS to conduct investment manager searches:

- ⇒ An Institutional Manager Procurement involves the issuance of a RFP for and development of a contract with providers of separate accounts, commingled funds, and any other investment product requiring a contract between the plan sponsor and the investment provider.

- ⇒ A Mutual Fund Search involves applying a search screening process to a large proprietary or leased mutual fund database for the purpose of identifying mutual funds best meeting DCP investment objectives.

The Board may apply one or both types of search modes to any given procurement. The selected Proposer must have the available resources necessary to assist the Board and Staff in conducting both types of searches.

The selected Proposer must possess the resource depth to provide a deep understanding of a wide range of investment managers within various investment strategies and styles across all asset classes and be capable of proposing and preparing search parameters, questionnaires, evaluation criteria, scoring methodologies, response summaries, recommendations for action, and other information and reports as necessary to assist the Board in evaluating the capabilities and soundness of firms submitting proposals. Specifically, the selected Proposer shall assist Staff and the Board to:

- Prepare investment manager RFPs based on criteria defining the need in the investment portfolio;
- Develop a structured search process subject to the IPS to analyze all available investment options;
- Conduct thorough review and analysis of prospective investments and provide written and verbal reports of the qualifications of potential investment managers or custodial banks;
- Conduct research and analytics to evaluate investment manager or custodian bank candidates on both a quantitative and qualitative basis;
- Review investment manager RFP responses to identify qualified candidates based on the criteria presented in the RFP;
- Assist in evaluating provider data and generating recommendations to the Board for action;
- Assist in interviewing potential investment managers or custodial banks;
- Prepare and present verbal and written reports and recommendations to the Investments Committee and the Board, which will include: (i) the results of the Consultant's review and analysis of prospective investments, (ii) strategic considerations, (iii) a detailed review of fees, and (iv) a description of how the investment(s) would fit within the DCP investment menu; and
- Assist, as needed, in organizing presentations by investment managers or custodial banks.

The Board has established a rolling five-year investment manager search schedule. It is expected that, for those options where institutional products are available, the Board will conduct both IMP as well as MFS processes. The following table provides an outline of the normal search cycle, although due to prior delays in administering investment manager searches, the Board is currently in the process of completing both year 1 and year 2 searches in 2021 for all of the DCP's investment mandates, excluding the Bank Deposit FDIC Fund.

Investment Menu Option	Investment Manager Search	Anticipated Search Type
Year 1		
ACTIVE BOND/EQUITY MANAGERS + FDIC SAVINGS		
Bank Deposit FDIC Fund	FDIC Insured Savings	IMP
DCP Bond Fund	Active Bond	IMP/MFS
DCP Mid-Cap Fund	Active Mid-Cap Growth	IMP/MFS
DCP Mid-Cap Fund	Active Mid-Cap Value	IMP/MFS
DCP Small-Cap Fund	Active Small-Cap Growth	IMP/MFS
DCP Small-Cap Fund	Active Small-Cap Value	IMP/MFS
DCP International Fund	Active International Developed Markets	IMP/MFS
DCP International Fund	Active International Emerging Markets	IMP/MFS
DCP International Fund	Active International Small-Cap Markets	IMP/MFS
Year 2		
PASSIVE BOND/EQUITY MANAGERS + STABLE VALUE FUND		
Stable Value Fund	Stable Value Manager	IMP
DCP Bond Fund	Passive Bond	IMP/MFS
DCP Large-Cap Fund	Passive Large-Cap	IMP/MFS
DCP Mid-Cap Fund	Passive Mid-Cap	IMP/MFS
DCP Small-Cap Fund	Passive Small-Cap	IMP/MFS
Year 3		
None		
Year 4		
None		
Year 5		
None		

2.2 CONTRACT REVIEW AND DEVELOPMENT

The selected Proposer shall provide assistance in the review and development of proposed contracts for investment management services. In addition, the selected Vendor must be capable of drafting, reviewing, and providing advice regarding amendments or extensions to existing contracts.

2.3 FUND TRANSITION SERVICES

The selected Proposer shall assist in the transition of administrative or investment management services and assets from one provider to another. The selected Vendor shall also provide professional transition management services for separate accounts, commingled trusts, group insurance contracts, mutual funds, and other investment vehicles.

2.4 CUSTOM RESEARCH, TRAINING, AND OTHER SERVICES

The selected Proposer shall perform ad hoc miscellaneous research on investment-related matters as directed by the Board and/or staff, including but not limited to:

- Economic forecasts and trends impacting defined contribution plans;
- Proposed City, State, and/or federal legislation affecting the DCP investment menu
- Current market and financial conditions which may impact the DCP's investment menu and assets; and
- New, emerging, and alternative investment options.

Additionally, the selected Proposer shall provide educational workshops and training as requested for Board members, Staff, City Attorney staff, and any other individual or entity, including but not limited to:

- Investment Policy Statement ;
- Investment trends in the defined contribution environment; and
- Fiduciary duties and responsibilities.

SECTION 3

PROPOSAL QUESTIONNAIRE

QUESTIONNAIRE INTRODUCTION AND INSTRUCTIONS

3.0 INTRODUCTION

The questions included in this RFP are intended to solicit important background information about your firm and fully disclose the data points upon which Proposers will be evaluated. The City is not evaluating firms using any information other than what is outlined within this RFP. Responses to this section, along with documents required to be submitted pursuant to Part B of this RFP are necessary for the proposal to be considered responsive.

3.1 INSTRUCTIONS

- Do not alter the questions or question numbering.
- Complete all appropriate sections of the questionnaire.
- The electronic version of the questionnaire will be provided on www.labavn.org. When providing narrative responses in the Excel questionnaire document, do not include any images, graphics, or charts. However, you may include images, graphics, or charts in print copies of your proposal if you choose to mail a copy of your proposal to the RFP Administrator.
- Provide an answer to each question even if the answer is “not applicable” or “unknown.”
- Answer the question as directly as possible.
 - If the question asks, “How many...” provide a number.
 - If the question asks, “Do you...” indicate Yes or No, followed by any additional brief narrative explanation to clarify.
- **Be concise in your response.** Use bullet points as appropriate. Consider how to word any response that exceeds 200 words in length so that the response contains the most important points you want displayed.
- **Do not respond to a question solely by referring to a document or material that is not otherwise included within your proposal. If referring to such documents or materials, you are nevertheless responsible for summarizing the content for you to be deemed responsive with respect to that question.**
- Referring the reader to attachments for further information should be avoided or used on a limited basis. Any response that does not directly address the question, but only contains marketing information, will be considered non-responsive.

3.2 INTRODUCTORY QUESTIONS

Responses to the following are required for your proposal to be considered responsive but will not be rated.

3.2.1 Cover Letter and Proposal Declaration

Provide a cover letter and Proposal Declaration to include the following:

- Title: **“City of Los Angeles Deferred Compensation Plan Investment Consulting RFP”** and submission date
- Contact name of person authorized to bind the Proposer to the proposal
- Contact name/title
- Mailing address
- Location of business (if different from mailing address)
- Type of legal entity (corporation, Limited Liability Company, joint venture, partnership, etc.)
- A short description of your organization, the businesses in which it engages, and the services it provides
- Telephone numbers (office, cell, and 24-hour lines of person(s) who will be authorized to represent the Proposer)
- Fax number
- Email address
- Date entity was established and location of entity when established
- Location of headquarters (full address) and, if your firm has more than one office location, which of your firm’s offices will service this account
- Remittance address (if different from mailing address)
- Annual revenues
- Total number of employees
- Total number of employees in the City of Los Angeles
- Total number of employees in the County of Los Angeles
- Number of employees reported in whose exclusive, primary work location is in the County of Los Angeles
- Number of employees providing services for this contract
- The following statement:

“The undersigned hereby offers and agrees to furnish the services in compliance with all the service level requirements, instructions, specifications, and any amendments contained in this RFP document and any written exceptions in the offer accepted by the City. This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the Proposer has not directly or indirectly induced or solicited any other Proposer to put in a sham proposal, or any other person, firm, or corporation to refrain from submitting a proposal;

and the Proposer has not in any manner sought by collusion to secure for itself an advantage over any other Proposer.”

- A signature submitted on behalf of the Proposer by an officer authorized to bind the Proposer to the proposal, acknowledging:
 - Receipt of the RFP and agreeing that the submitted proposal is based on the RFP and any identified addenda.
 - Failure to indicate receipt of addenda may result in the proposal being rejected as non-responsive.
 - To constitute a responsive proposal, all pages of the proposal questionnaire and required forms must be submitted.
 - Under penalty of perjury under the laws of the State of California that the proposal is true and correct, and the Proposer agrees to the terms and conditions in the proposal.

3.2.2 City Business License Number or Vendor Registration Number

Indicate your City Business License Number or Vendor Registration Number, if available. A license or registration number is not required for your proposal but will be required **prior** to execution of a contract. To obtain a Business Tax Registration Certificate (BTRC) or Contractor Registration Number, call the Office of Finance at (213) 473-5901 and pay the respective business taxes. The address is as follows: City of Los Angeles, City Hall – Office of Finance, 201 North Main Street, Room 101, Los Angeles, CA 90012. Additional information is available on the Office of Finance website at <https://finance.lacity.org>.

3.2.3 California Revenue and Taxation Code

Fill out and submit the appropriate California Revenue and Taxation Code form, if applicable (for out of state Proposers) per the instructions provided in Part B and the “Proposal Response Checklist”.

3.2.4 Compliance with Standard Provisions

Provide a statement indicating that your firm has reviewed the applicable City of Los Angeles General Contracting Requirements attached to this RFP in Part B, including the Standard Provisions for City Contracts (Rev. 10/17), and will comply with those requirements applicable to this Contract. Please note in your statement any provisions which you believe would not apply to your firm's performance under the Contract along with your explanation of why they would not apply. The City's General Contracting Requirements and Standard Provisions are established by City ordinance/policy and are generally not subject to modification. Final contract award will be subject to the successful Proposer(s) fully and expeditiously reaching agreement with the City on all contract terms, including the General Contracting Requirements and Standard Provisions. Please note that your statement does not

relieve you from providing all of the documents required pursuant to the “Proposal Response Checklist.”

3.2.5 Insurance

The City has determined that the following insurance coverage types will apply to this contract:

- Workers Compensation: \$ _____
- General Liability: \$ _____
- Professional Liability: \$ _____

Please verify that you will be able to meet the required coverage levels and that you will submit proof of such pursuant to Part B, “General Contracting Requirements – Insurance Requirements,” as a condition of execution of any final Contract (see Part B, “Standard Provisions – Insurance Requirements” for further details). Note that if the Proposer is a sole owner company with no employees, the Proposer can sign the City’s waiver of workers compensation. General Liability can also be obtained through the City’s SPARTA program for small contractors. Links to the City’s waiver form and SPARTA program from the City’s Risk Management website are provided as follows:

<http://www.2sparta.com/>
<http://cao.lacity.org/risk/waivewc.pdf>

3.3 PROPOSAL QUESTIONNAIRE

CITY OF LA DCP 2020 INVESTMENT CONSULTING RFP PROPOSAL QUESTIONNAIRE	
Please complete the entire proposal questionnaire and include it with your RFP Proposal. Make sure you enter information into <u>ALL</u> cells designated for responses. If the question does not apply, enter "N/A" into the cell. Do <u>NOT</u> leave any empty cells. Do <u>NOT</u> add columns, rows, or cells to the questionnaire format. If you have any questions regarding this form, contact the RFP Administrator.	
QUALIFYING QUESTIONS	
Responses to the following are required for your proposal to be considered responsive, but will <u>NOT</u> be rated.	
QUESTIONS	ENTER RESPONSES IN THIS COLUMN
FIRM CONTACT INFORMATION	
1.	Name of Firm:
	Person Authorized to Submit Proposal:
	Title of Person Authorized to Submit Proposal:
	Business Address (Company Office to Service Account):
	Type of Legal Entity (Corp, LLC, Partnership, etc.):

	Business Telephone Number:	
	Company Website:	
REQUIRED DOCUMENTATION & DISCLOSURE		
2.	Indicate your company's State of California Board of Equalization Permit Number, if applicable. If you do not have this permit, please make a statement to this effect.	
3.	Provide your company's Federal Employer/Taxpayer Identification Number (IRS Form W-9).	
4.	Has your company attached appropriate California Revenue and Taxation Code Form, if applicable (for out of state proposers)? [Yes/No]	
5.	Has your company's insurance broker uploaded the Certificate of Liability Insurance onto the www.kwikcomply.com website? [Yes/No]	
6.	Has your company completed all required forms as part of this RFP or as required on the LABAVN website?	
7.	Does your company agree to the following statement? [Yes/No] "We hereby offer and agree to furnish the services in compliance with all the service level requirements, instructions, specifications, and any amendments contained in this RFP document and any written exceptions in the offer accepted by the City. This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the Proposer has not directly or indirectly induced or solicited any other Proposer to put in a sham proposal, or any other person, firm, or corporation to refrain from submitting a proposal; and the Proposer has not in any manner sought by collusion to secure for itself an advantage over any other Proposer."	
8.	Does your company agree to the following statement? [Yes/No] "By submitting a proposal, we acknowledge and agree to the following: <ul style="list-style-type: none"> • Receipt of and agree that the submitted proposal is based on the RFP and any identified addenda. • Failure to indicate receipt of addenda may result in the proposal being rejected as non-responsive. • To constitute a responsive proposal, all pages of the proposal questionnaire and required forms must be submitted. • Under penalty of perjury under the laws of the State of California the proposal is true and correct and the Proposer agrees to the terms and conditions in the proposal." 	
9.	Does your company agree to the following statement? [Yes/No] "By submitting a proposal, we acknowledge that we will comply with the City of Los Angeles General Contracting Provisions attached to this RFP in Part B, including the Standard Provisions for City Contracts (Rev. 10/17)."	
10.	If your response to the prior question is "No," please be specific regarding which of the City's General Contracting Provisions, including the Standard Provisions, you are not able to comply with and why.	
11.	Does your company have any potential or perceived conflict of interest involving relationships your company may have with the City's current or prospective service providers, governing authorities, advisors, or other interested parties? [Yes/No] If you answered "Yes," please describe the nature of the relationship(s).	
12.	<u>Lobbyist Disclosure:</u>	

	Disclose any (1) arrangements your company has with lobbyists and/or agents representing your company, and (2) any arrangements your company has with an unrelated individual or entity with respect to the sharing of any compensation, fees, or profit received from or in relation to the proposing company being awarded a contract with the Board. If any such arrangements exist, describe the nature of the relationship and the manner in which compensation or fees would be shared.	
13.	<u>Endorsement Disclosure:</u> Disclose any financial relationship your company has with any union, organization, or association in conjunction with an endorsement. Provide details regarding the relationship, including any benefit that will be recognized by the union, organization, or association in the event your company is awarded a contract with the Board.	
14.	Does your Proposal contain all documents required pursuant to the "Proposal Response Checklist?" [Yes/No]	
15.	Please indicate if you (a) have any requirements, constraints, or limitations with respect to final execution of a completed contract with the Board; and (b) if you would be willing to provide services prior to the execution of a completed Contract provided that a ratification clause is inserted into the contract?	
CURRENT AND FORMER CLIENTS		
The City may contact some or all of the contacts provided. Please advise of constraints on contacting any of the listed entities.		
16.	Provide contact information for your company's three largest public sector defined contribution plan consulting services clients:	
	Client Name:	
	Current Asset Amount:	
	Contact Name:	
	Address:	
	Phone Number for Contact Person:	
	Email Address for Contact Person:	
	Year Your Company Started Providing Client Services:	
	Contract Services Provided (2-3 sentences):	
17.	Provide contact information for your company's three largest private defined contribution plan sector consulting services clients:	
	Client Name:	
	Contact Name:	
	Address:	
	Phone Number for Contact Person:	
	Email Address for Contact Person:	
	Year Your Company Started Providing Client Services:	
	Year Your Company Stopped Providing Client Services:	
	Contact Services Provided (2-3 sentences):	
18.	Provide contact information for your company's three former public or private defined contribution plan sector consulting services clients which have most recently discontinued services:	

Client Name:
Contact Name:
Address:
Phone Number for Contact Person:
Email Address for Contact Person:
Year Your Company Started Providing Client Services:
Year Your Company Stopped Providing Client Services:
Contract Services Provided (2-3 sentences):

RATED QUESTIONS The following questions will be used to rate your proposal.		
QUESTIONS		ENTER RESPONSES IN THIS COLUMN
ORGANIZATION STRENGTH AND CONTINUITY		
Background		
1.	Please provide an overview of your organization and organizational structure, to include the name of your parent company (if you have one), the nature of its business, the name of your company, the length of time your firm has been providing the broad range of services included within this procurement, headquarters, number of clients and members, and primary location where services will be provided.	
2.	Please provide your organization's revenues and net profits for the last three calendar years.	
3.	Please provide your organization's revenues and net profits for providing the range of services included in this procurement for the last three calendar years.	
4.	Is your company a subsidiary or affiliate of another company? [Subsidiary, Affiliate, Not Applicable]	
	a. If you answered "subsidiary" or "affiliate," provide your company's parent company name and, if applicable, percentage of ownership. b. If you answered "subsidiary" or "affiliate," describe the nature of the business of the parent firm. Provide full disclosure of all direct or indirect ownership. Indicate what percentage of the total company revenue your company represents for calendar years 2018, 2019, and 2020.	
5.	What is the last date your organization had a change in its business structure, whether through an acquisition or divestiture or through an alliance arrangement? If applicable, how did this change in business structure affect how you provide the services which are the subject of this RFP?	
6.	Describe any pending agreements to merge or sell your company or any portion thereof, or your parent company; or any pending or anticipated plans to reorganize your company within itself or as part of the larger organization of which your company is a part.	
7.	Has your company had a change in senior management (including CEO, CFO, CIO, or other executive management) in the last five years? [Yes/No] Indicate the average tenure (in years) of senior management.	

8.	Please provide a summary of your organization's strategic plan, including how you control/manage the growth of your business.			
9.	Will any portion of this contract be outsourced or subcontracted to other companies? [Yes/No] If yes, indicate what percentage and whether these entities are domestic or foreign-domiciled.			
	If you answered "yes", provide the following information for each subcontractor who will receive more than 5% of the total fee proposed for this RFP: <ul style="list-style-type: none"> • The specific service being subcontracted • Name of subcontractor • Is this a domestic or non-US company? • Contact name for the subcontractor • Contact's title • Contact's phone number • Mailing address for subcontractor • Business address (if different from mailing address) • Business telephone number • Subcontractor's registration and/or license number, if applicable • Description of work to be subcontracted • Reason for subcontracting • Percent of total contract to be subcontracted • Dollar amount to be subcontracted • Subcontractor's work experience (in years) and level of responsibility • Experience (in years) your firm has worked with subcontractors for the services being subcontracted • Identify if subcontractor is a Minority Business Enterprise, Women Business Enterprise, Local Business Enterprise, Small Business Enterprise, Emerging Business Enterprise, or Other Business Enterprise 			
10.	How many proposals have you submitted in the last three years in response to public sector RFPs for 457 investment consulting services? How many of these resulted in your selection to provide services?			
11.	Provide a list of all City contracts your firm has held within the past ten years. Please indicate whether any of these contracts had been terminated for default. If so, please describe this incident.			
12.	Provide a comprehensive list of your company office locations in order of the following: 1) Los Angeles area offices, 2) California area offices, 3) United States offices, and 4) offices abroad. Identify which locations will be used to manage services under this contract, and the extent of services to be performed at each location.			
13.	Indicate the total number of employees in your firm providing the same or similar services solicited in this RFP as of 12/31/20, 12/31/19, and 12/31/18.			
14.	Please complete the following applicable membership profile/client-based information:	Total (Governmental & Private Sector Clients)	Governmental Sector Clients	Private Sector Clients

	a) Total number of plans/programs that you provide investment consulting services for as of 12/31/20			
	b) Total number of clients gained for years ending 12/31/20, 12/31/19, and 12/31/18			
	c) Total number of clients lost for years ending 12/31/20, 12/31/19, and 12/31/18			
	d) Average client relationship in years as of 12/31/20			
15.	Indicate your total clients by participant base as follows:			
	Clients by Participant Base	Total (Governmental & Private Sector Clients)	Governmental Sector Clients	Private Sector Clients
	Under 5,000			
	5,001 – 10,000			
	10,001 – 25,000			
	25,001 – 50,000			
	50,001+			
	Total			
16.	Please provide the most recent ratings for your company by the following:			
	a) Standard and Poor's			
	b) Duff and Phelps			
	c) A.M. Best			
	d) Moody's			
	e) If your firm is not rated, submit documentation of a similar nature which attests to your firm's financial stability.			
17.	Indicate if there have been any downgrades in your ratings in the last 3 years, and if so indicate to what they are attributable.			
Contractual Issues				
18.	In the past five years, has your company been involved in any complaint and/or litigation or been investigated or reprimanded by any regulatory authority? [Yes/No]			
	If you answered "Yes", please provide the following additional details in chronological order from most recent to oldest. <ul style="list-style-type: none"> Type of complaint and/or litigation filed Date you were notified of complaint and/or litigation Date the complaint and/or litigation was resolved Was the complaint and/or litigation filed with a state or federal regulatory agency or office? Provide details regarding the complaint and/or litigation 			

	<ul style="list-style-type: none"> Describe the final outcome of the complaint and/or litigation 	
19.	<p>In the past five years, has your company had a license to do business, an agent/broker license, or any other license revoked or suspended? [Yes/No]</p> <p>If you answered "Yes," please provide the following additional details in chronological order from most recent to oldest.</p> <ul style="list-style-type: none"> Item revoked (license to do business, agent/broker license, other license Was the item revoked or suspended? Date of revocation or suspension Date revocation or suspension ended Provide details regarding the revocation or suspension Describe the final outcome of the revocation or suspension 	
20.	<p>Are there any outstanding legal actions pending against your organization? If so, please explain the nature and current status of the action(s) to the extent possible. What guarantees can you provide that these actions will not disrupt your business operations or impact the City's account if you were awarded a contract?</p>	
21.	<p>Identify and describe any past, pending or threatened judicial or administrative litigation (including lawsuits or protests) in which you have litigated against a client or prospective client, within the past five years, related to the type of services you are proposing. Indicate the reasons for the lawsuit/protest and the outcome. Provide contact information for the entity sued or challenged.</p>	
22.	<p>Describe any incident within the past ten years in which your business has had a contract terminated for default. Termination for default is defined as notice to stop performance due to your organization's non-performance or poor performance, and the issue was either not litigated, or litigated and such litigation determined your organization to be in default. Submit full details of all termination for default experienced by your firm during the past five years including the other party's name, address, telephone number and your firm's position on the matter. The City will evaluate the facts and may, at its sole discretion, reject your firm's proposal if the facts discovered indicate that completion of a contract resulting from this RFP may be jeopardized by selection of your firm. If your firm has experienced no termination for default in the past ten years, so indicate.</p>	
23.	<p>In the past five years, has your company or its subsidiaries ever filed or been petitioned into bankruptcy or insolvency, or has your company ever made any assignment for the benefit of your creditors? [Yes/No]</p> <p>If you answered "Yes", please provide the following additional details in chronological order from most recent to oldest.</p> <ul style="list-style-type: none"> Define whether your company or its subsidiaries have ever (1) filed for bankruptcy/insolvency, (2) been petitioned into bankruptcy/insolvency, and/or (3) made any assignment for the benefit of your creditors Date for the filing, petition, and/or assignment Provide details regarding the filing, petition, and/or assignment 	
24.	<p>Describe what procedures and policies you have in place to protect against, and provide disclosure of, any potential or perceived conflict of interest involving relationships your firm may have with service providers for which you may also be asked to conduct performance reviews or otherwise evaluate for the City's DCP. To what extent and under what circumstances do the</p>	

	individuals who would be directly servicing the City's account personally meet with service providers that could be actual or potential City clients?	
Security Protocols and Disaster Recovery		
25.	Describe all elements of your data protection/privacy policy.	
26.	Does your data protection/privacy policy prevent the sale or distribution of collected data?	
27.	What kind of encryption software do you use? Is encryption used to protect sensitive files and databases on servers and on proprietary or confidential attachments to email messages that are sent?	
28.	Describe your disaster planning/prevention resources and plans, including the frequency with which your data is backed up and how often your plans are tested.	
29.	With regard to your recordkeeping systems, please describe your records retention and destruction policy, including how long records are retained.	
INVESTMENT CONSULTING SERVICES EXPERIENCE AND QUALIFICATIONS		
Investment Option Monitoring, Analysis, and Reporting		
30.	<p>Who will provide investment consulting services to the City? For each individual providing these services, please indicate:</p> <ul style="list-style-type: none"> • The name, position, resume, employment date(s) with your organization, geographic location, and a description of duties for each employee who is expected to work on this contract during its duration. • The expected availability and number of hours per day, month, and year each employee will be assigned to work on this contract and organization chart. • If there is more than one individual, indicate who will be the lead consultant and fully describe their roles and areas of expertise, including providing a listing of other clients handled by that individual. 	
31.	Describe any changes in direct management - the day-to-day staff who provide the administrative, information technology, and other direct management of the account - over the last two years. For the work unit(s) that you would propose servicing the City's account, what was the total staff turnover for 2020, 2019, and 2018? Provide the number of full-time employees and percent of staff turnover.	
32.	Indicate how you will maintain your responsiveness to the City's account in the face of competing client demands. Describe what the City should expect of your lead consultant with respect to:	
	a. Time spent in the office and availability to respond to inquiries	
	b. Ability to schedule and attend meetings, both by telephone or in person	
	c. Systems or protocols you use to maintain a good client communication and project oversight	
33.	Describe what distinguishes the philosophy and strategy that forms the basis for your consulting services.	
34.	Describe your firm's philosophy with respect to investment manager monitoring and evaluations. Provide a copy of a recently completed external investment manager's review and analysis.	
35.	Describe your ongoing due diligence process performed in your review and evaluation of investment managers. What critical issues are examined in the due diligence process?	

36.	Describe the content and format of your firm’s quarterly performance reports for a sample client, the major asset classes, and individual investment managers. Provide a sample quarterly report for one of your firm’s clients with an investment menu similar to the DCP. Can these reports be customized to accommodate the City’s information needs?	
37.	Describe your experience providing investment performance review services for all stock and bond asset classes. Indicate whether your investment review services, including fund databases, are proprietary or obtained from a third party.	
38.	Describe your experience providing investment performance review services for all fixed account and stable value offerings. Indicate whether your investment review services, including fund databases, are proprietary or obtained from a third party.	
39.	Describe your experience providing investment performance review services for all money market and bank savings products. Indicate whether your investment review services, including fund databases, are proprietary or obtained from a third party.	
40.	Describe your experience providing investment performance review services, as well as designing, monitoring, and developing recommendations with respect to the composition of, asset allocation (time-based or risk-based) funds. Indicate whether your investment review services, including fund databases, are proprietary or obtained from a third party.	
41.	Provide two sample investment fund reviews for a large-cap mutual fund, one of them underperforming and the other outperforming, for which your firm has recently conducted a review.	
42.	Describe in detail, and provide examples of, your experience with respect to analyzing, recommending, and/or assisting plan sponsors in conducting performance and operational evaluations for defined contribution investment programs involving identifying and recommending best practices in investment policy.	
43.	How does your firm ensure the quality, depth, and ongoing diligence of your consulting services as they relate to investment manager monitoring, including manager termination recommendations?	
Procurements and Searches		
44.	Describe your experience in the design of IMP and MFS processes for defined contribution plan investment management services, including for major asset classes including large-cap stocks, mid-cap stocks, small-cap stocks, international stocks, bonds, money market or bank savings, stable value, and other types of fixed income vehicles. Describe your typical search development process.	
45.	Describe in detail your firm’s investment manager database and search process, including: <ul style="list-style-type: none"> • Use of a proprietary or third-party database (if so, which one) • Advantages and disadvantages of the database • Requirements or conditions for investment manager database additions and deletions • Frequency of review of investment managers in the database • Method for gathering/verifying/updating data in the database • Number of products and investment managers in the database • Search process, finalist candidate evaluation, and final selection criteria • Use of an approved investment manager list, including updating frequency 	

	and client implementation	
46.	<p>In the last three years, how many such searches have the staff who will be assigned to the City's account helped develop? For each, please indicate:</p> <ul style="list-style-type: none"> • Plan sector (governmental or private sector) • Plan type (e.g. Section 457, 401(k), etc.) • Approximate number of participants and assets <p>Describe resources utilized in generating and reviewing search questions and summarizing results for clients. Describe typical reporting/scoring/analysis for this type of search and include sample deliverable for one such search that best demonstrates your capabilities (provide all pages).</p>	
Contract Review and Development		
47.	<p>Describe your specific experience in assisting with development of contracts for separate accounts, commingled trusts, bank products, and other investment vehicles requiring contracts between a plan sponsor and investment provider. Indicate the degree to which you would be willing to negotiate directly with the vendor as your client's facilitator or agent; a description of your specific expertise and experience in contracts of this type; and an estimate of the number of such contracts the personnel to be assigned to the City's account have drafted/reviewed/assembled in the last three years.</p>	
Fund Transition Services		
48.	<p>Describe your experience assisting defined contribution plan sponsor clients in transferring assets held by investment managers. How often have you provided this service to your clients? What types of considerations are taken into account when assisting your client in providing this type of service? Please provide any project plans or reports your firm has prepared regarding fund transition services.</p>	
Custom Research, Training, and Other Services		
49.	<p>Describe how your firm will perform custom research assignments directed by the City. Please provide three examples of custom research provided by your firm, including the purpose of the research and how it met your client's needs.</p>	
50.	<p>Describe the resources available through your firm to provide training and educational workshops as described in this RFP.</p>	
51.	<p>Describe any formal training programs of a complex defined contribution plan topic you have developed and provided for a defined contribution plan sponsor. Provide one sample of materials presented to the plan sponsor. If you have not developed/provided them in the past, indicate whether you could do so and whether you would bill the City for the development cost.</p>	
52.	<p>Indicate whether you will attend meetings of the City, including the Board and Committee meetings, and whether the cost of attending those meetings is or is not included within your billings and is or is not driven by the number of individuals attending on behalf of your firm.</p>	
53.	<p>List any characteristics of your firm that you feel make it unique from other investment consulting firms providing services to defined contribution plan clients.</p>	
54.	<p>Describe any areas of service that were not described in the scope of work that you would recommend be added to the investment consulting services you would provide to the City.</p>	
FEES AND GUARANTEES		

Fees and Charges

<p>55.</p>	<p><u>Fees – Hourly Rate Model</u></p> <p>Indicate by name your billable hourly rates for all staff to be assigned to the City’s account for investment consulting services. Mark “N/A” for any categories which are not applicable. Add additional categories you may use, which are not included in this table.</p> <ul style="list-style-type: none"> - Principal Consultant - Managing Consultant - Consultant - Associate/Analyst - Clerical - Other (please specify) <p>Please note that the City will not accept a fee structure which provides for annual or other inflation/adjustments to hourly rates. A single set of rates must be proposed, which will be guaranteed for the length of the Contract.</p> <p>Please note that the City will not pay for mileage, parking, travel, internal printing, and copying, or computer time as these are considered part of the normal cost of doing business.</p> <p>Finally, do not include California State sales tax in prices quoted unless otherwise requested. If requested, sales tax must be identified as being included in the pricing. Additionally, the City is exempt from the payment of excise taxes imposed by the Federal Government. Such taxes must not be included in the proposed prices. Federal excise exemption certificates will be furnished by the Department of General Services upon request.</p>	
<p>56.</p>	<p><u>Fees – Fixed Fee Model</u></p> <p>Indicate whether or not you would propose a fixed fee for some or a portion of the services requested in this RFP, how that fixed fee would function, the amount of the fixed fee, and what would be included and not included under the fixed fee.</p> <p>Please indicate whether you are proposing a project based fixed fee structure. If so, please list projects that would typically be included under this project based fee structure.</p> <p>Please note that the City will not accept a fee structure which provides for annual or other inflation/adjustments to the price proposal. A single fixed fee must be proposed, which will be guaranteed for the length of the Contract.</p> <p>Please note that the City will not pay for mileage, parking, travel, internal printing, and copying, or computer time as these are considered part of the normal cost of doing business.</p> <p>Finally, do not include California State sales tax in prices quoted unless otherwise requested. If requested, sales tax must be identified as being included in the pricing. Additionally, the City is exempt from the payment of excise taxes imposed by the Federal Government. Such taxes must not be</p>	

	included in the proposed prices. Federal excise exemption certificates will be furnished by the Department of General Services upon request.	
57.	Fees – Miscellaneous Indicate all other fees you potentially charge that are not included in or specifically excluded by the City from the pricing models outlined above. Please note the City does not pay commission fees; proposals that include the refund of commission fees will be considered non-responsive.	
Performance Guarantees		
58.	Please indicate what performance guarantees your firm would provide and any associated financial penalties associated with some or all of them.	
ADDITIONAL INFORMATION		
59.	Provide any additional information your firm believes is essential for the evaluation of your proposal. If there is no additional data your company wishes to present, state the following: "There is no additional data we wish to present."	

DRAFT

SECTION 4

SUBMISSION REQUIREMENTS

Proposals must be based only on the material contained in the RFP, Pre-Proposal Conference responses, amendments, addenda, and other material published by the City relating to the RFP. The Proposer must disregard any previous RFP draft material. Proposals must be submitted in accordance with the requirements set forth in this RFP.

4.0 ADDENDUM(A)

The City reserves the right to issue addendum(a) to this RFP, which may add additional requirements that must be met in order for a proposal to be considered responsive. All Proposers must acknowledge any addendum(a) issued as a result of any change in this RFP on the Proposer Signature Declaration Page. Failure to indicate receipt of addendum(a) may result in a proposal being rejected as non-responsive and eliminated from further consideration in the evaluation process.

4.1 IN WRITING

All proposals must be submitted in writing, and Proposers shall complete and return any and all applicable documents including but not limited to written responses, questionnaires, forms, appendices, spreadsheets, and any electronic files via email or USB drive to the RFP Administrator. The City may deem a Proposer non-responsive if the Proposer fails to provide all required documentation, copies, or electronic files. A non-responsive designation will eliminate a Proposer from further consideration in the evaluation process.

4.2 COVER LETTER

Each proposal must include a cover letter limited to two pages, the required contents of which are previously described in this RFP.

4.3 BEST OFFER

The proposal shall include the Proposer's best terms and conditions. Submission of the proposal shall constitute a firm and fixed offer to the City that will remain open and valid for a minimum of 12 months from the Proposal Submission Deadline.

The City reserves the right to request best and final fee proposals from all Proposers. The City at its sole discretion will determine whether or not to exercise the best and final offer option. Proposers may not request an opportunity to submit a best and final offer.

If the City opts to exercise the best and final offer fee proposal option, the City will only request one best and final offer submission. The best and final offer request will specify the additional information that is required and the date and time by which the best and final offer must be submitted. Proposers must submit the best and final offer in writing and by the deadline specified. The best and final offer information shall supersede inconsistent information contained in the initial offer and shall remain open and valid for the same 12 months from the Proposal Submission Deadline.

The City will evaluate the best and final offer information and adjust the Proposer ratings if needed, in light of the new information received in the best and final offer.

4.4 AUTHORIZED SIGNATURES

Proposals must be signed by a duly authorized officer eligible to sign contract documents and authorized to bind the Proposer to all commitments made in the proposal. A non-officer individual, with the authority to bind the Proposer to a contract, is sufficient to sign all applicable documents for the purpose of this RFP. Consortiums, joint ventures, or teams submitting proposals will not be considered responsive unless it is established that all contractual responsibility rests solely with one Proposer or one legal entity. The proposal must identify the responsible entity.

4.5 NUMBER OF PROPOSAL COPIES REQUIRED

Proposers are required to submit their proposals according to the instructions below:

To the RFP Administrator:

- One (1) Adobe PDF scan of the original written proposal which includes all required responses to **Part A and Part B**, with all documents signed in ink.
- One (1) electronic copy of your **Part A and Part B responses** in Adobe PDF, Microsoft Word, and (questionnaire only) Microsoft Excel formats.

If any proposal contains any trade secrets or other proprietary information that the Proposer claims is exempt from disclosure under the California Public Records Act (see Section 6.0 of this RFP), then one (1) redacted copy of the proposal must also be submitted in addition to the original version and must clearly be labeled as such.

Proposers have the following options to submit their proposals: 1) via email to the RFP Administrator or 2) via USB drive mailed to the physical address of the RFP Administrator identified in this RFP. All proposals must be received no later than the stated Proposal Submission Deadline.

4.6 ELECTRONIC (USB DRIVE) SUBMISSION

Proposers choosing to submit their proposal via USB drive mailed to the physical address of the RFP Administrator must ensure that the USB drive is **received** by the RFP Administrator the Proposal Submission Deadline. Proposals submitted via USB drive

received **after** the Proposal Submission Deadline shall be considered late and eliminated from further consideration in the evaluation process. The USB drive containing the non-redacted proposal should be labeled as such with the firm name and title of this RFP and placed in a sealed envelope with the firm's name written across the front of the envelope. If applicable, the USB drive containing a redacted version of the proposal should be identified separately and labeled as such with the firm name and title of this RFP and placed in a sealed envelope alongside the USB drive containing the non-redacted proposal with the firm's name written across the front of the envelope. The USB drive(s) must be mailed to the physical address of the RFP Administrator identified in this RFP and **received prior** to the Proposal Submission Deadline identified in this RFP.

4.7 INFORMATION REQUESTED AND NOT FURNISHED

The information requested and the manner of submission are essential to permit prompt evaluation of all proposals. Accordingly, the City reserves the right to declare as non-responsive and reject any proposals in which information is requested and is not furnished or when a direct or complete answer is not provided.

4.8 ALTERNATIVES

The Proposer shall not change any wording in the RFP or associated documents. Any explanation or alternatives offered shall be submitted in a letter attached to the front of the proposal documents. Alternatives that do not substantially meet the City's requirements cannot be considered. Proposals offered subject to conditions and/or limitations may be rejected as non-responsive and eliminated from further consideration in the evaluation process.

4.9 PROPOSAL ERRORS

The Proposer is responsible for all errors or omissions found in the proposal. The Proposer will not be allowed to amend proposal documents after the Proposal Submission Deadline, except as allowed by the City in its sole discretion. The City reserves the right to make corrections for typographical errors, transposition, or other clear and apparent errors. Any changes will be dated and time stamped, and attached to the proposal.

4.10 PROPOSAL CLARIFICATION

At any phase of the evaluation process, the City reserves the right to request Proposers clarify information provided in RFP responses, including clarification of assumptions used in the RFP response. Clarifications must be submitted in writing by the requested deadline; otherwise the RFP response will be deemed non-responsive or evaluated without the benefit of the clarification requested.

If the City determines that all Proposers failed to submit requested information or adequately responded to the same RFP question or request for data, the City may, at its discretion, issue an RFP Addendum and provide all Proposers with an opportunity to

provide a response to the RFP question. Responses to RFP Addendum questions must be submitted in writing by the stated deadline; otherwise, the RFP response will be deemed non-responsive or evaluated without the benefit of the clarification requested.

4.11 WAIVER OF MINOR ADMINISTRATIVE IRREGULARITIES

The City reserves the right, at its sole discretion, to waive minor administrative irregularities contained in any proposal.

4.12 INTERPRETATION AND CLARIFICATIONS OF PROPOSAL QUESTIONNAIRE

Questions within the proposal questionnaire requiring further interpretation or clarification must be submitted by the Proposer in writing to the RFP Administrator. Responses will be posted as an addendum to the RFP on www.labavn.org.

4.13 PROPOSAL SUBMISSION DEADLINE

Timely submission of proposals is the sole responsibility of the Proposer. The City reserves the right to determine the timeliness of all submissions. The proposals, including redacted copies of the final proposals and proposal questionnaire, **must be received** by the RFP Administrator by the Proposal Submission Deadline identified in this RFP.

4.14 LATE PROPOSALS

Proposals submitted after the Proposal Submission Deadline (i.e. not received by the Proposal Submission Deadline) shall be considered late. Late proposals **will not be considered** and shall be eliminated from further consideration in the evaluation process and, if applicable, be returned unopened to the Proposer.

4.15 COST OF RFP

The City is not responsible for any costs incurred by the Proposer while submitting proposals. All Proposers who respond to the RFP do so solely at their own expense.

4.16 WITHDRAWAL OF PROPOSALS

A Proposer may withdraw a submitted proposal in writing at any time prior to the Proposal Submission Deadline. A written request, signed by an authorized representative of the Proposer, must be submitted to the RFP Administrator. After withdrawing a previously submitted proposal, the Proposer may submit another proposal at any time up to the Proposal Submission Deadline.

4.17 SELECTION OF PROPOSER

The Proposer with the best combination of quality, price, and various qualitative elements of required services based on the RFP criteria and that also satisfies all City contracting requirements will be recommended for selection. Selection is not restricted to the lowest

offer or bid. Should contract negotiations not be successful with the selected Proposer, the City may, based on its exclusive discretion, negotiate with the next most qualified Proposer.

4.18 REJECTION OF PROPOSALS

The City reserves the right to reject any or all proposals; to waive any minor informality in proposals received; to reject any unapproved alternate proposal(s); and to reject the proposal of any Proposer who has previously failed to perform competently in any prior business relationship with the City. The rejection of any or all proposals will not render the City liable for costs or damages.

4.19 RFP WITHDRAWAL, CANCELLATION, OTHER OPTIONS

The City reserves the right to withdraw or cancel the RFP at any time, in its own discretion. If such action is taken, the City may re-issue the RFP. The City also reserves the right to contract with more than one Proposer to this RFP. Furthermore, the City may exercise its right to not select any Proposer from this RFP, if it determines that there was no responsive Proposer.

If an inadequate number of proposals is received or the proposals received are deemed non-responsive, not qualified, or not cost effective, the City may, at its sole discretion, reissue the RFP or award a sole-source contract with any qualified Proposer. The award of the Contract is subject to the successful negotiation of the terms and conditions of an Agreement.

The City reserves the right to verify all information in the proposal. If the information cannot be verified, the City reserves the right to reduce the rating points awarded for such information as part of the evaluation process. The City reserves the right to require a pre-award interview and/or site inspection.

4.20 CONTRACT EVALUATION PROGRAM

When the term of the contract pursuant to this RFP has concluded, the City will conduct an evaluation of the Contractor's performance. The City may also conduct evaluations of the Contractor's performance during the term of the Contract. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on specified criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the Contractor assigns to the Contract. A Contractor will be provided with a copy of the final City evaluation by request. The City will use the final City evaluation to evaluate future proposals and to conduct reference checks when awarding future service contracts.

4.21 LOBBYING LAW COMPLIANCE

Proposers shall submit with their bid the Bidder Certification Form CEC 50 as prescribed by the City Ethics Commission acknowledging and agreeing to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance (Los Angeles Municipal Code Section 48.01 et seq.).

This ordinance serves to identify persons engaged in compensated lobbying activities aimed at influencing decisions of City government. Additional information regarding these restrictions may be obtained from the City Ethics Commission at (213) 978-1960 or <http://ethics.lacity.org/>.

4.22 CAMPAIGN CONTRIBUTIONS

Proposers are subject to Charter Section 470(c) (12) and related ordinances. As a result, Proposers may not make campaign contributions to and or engage in fundraising for certain elected City officials or candidates for elected City office from the time they submit the proposal until either the contract is approved or, for successful Proposers, twelve months after the contract is signed. The Proposer's principals and subcontractors performing \$100,000 or more in work on the contract, as well as the principals of those subcontractors, are also subject to the same limitations on campaign contributions and fundraising.

Proposers must submit CEC Form 55, provided in the Part B materials, to the awarding authority at the same time the Proposal is submitted. The Form requires Proposers to identify their principals, their subcontractors performing \$100,000 or more in work on the Contract, and the principals of those subcontractors. Proposers must also notify their principals and subcontractors in writing of the restrictions and include such notice in contracts with subcontractors. Proposals submitted without a completed CEC Form 55 shall be deemed non-responsive and eliminated from further consideration in the evaluation process. Proposers who fail to comply with City law may be subject to penalties, termination of contract, and debarment. Additional information regarding these restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or <http://ethics.lacity.org/>.

4.23 BUSINESS INCLUSION PROGRAM (BIP) REQUIREMENTS

It is the policy of the City to provide Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and all Other Business Enterprise (OBE) concerns an equal opportunity to participate in the performance of all City contracts. Proposers will assist the City in implementing this policy by taking all reasonable steps to ensure that all available business enterprises, including MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs, have an equal opportunity to compete for, and participate in, City contracts. Equal opportunity will be determined by the Proposer's BIP outreach documentation, as described in Part B and the Business Inclusion Program for

this RFP. Participation by MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs may be in the form of subcontracting. Proposers must refer to the Business Inclusion Program attachment to this RFP for additional information and instructions. BIP outreach must be performed using the Business Assistance Virtual Network (www.labavn.org). A Proposer's failure to utilize and complete their BIP Outreach, as described in Part B will result in their proposal being deemed non-responsive and shall disqualify the proposal from further consideration in the elevation process. **Schedule A of the Business Inclusion Program requirements is required to be submitted even if a Proposer does not receive any response from sub-contractors to its solicitation. The Schedule A form is NOT available and cannot be submitted electronically on LABAVN where the outreach is conducted; a hardcopy, as provided in the Standard Provisions, must be printed and submitted with original signatures by the Proposal Submission Deadline. Please note this RFP's published deadline for submitting the BIP Summary Sheet on www.labavn.org.**

4.24 LOCAL BUSINESS PREFERENCE PROGRAM ORDINANCE

Proposers are advised that any proposal submitted and/or Contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.47, Local Business Preference Program (LBPP) Ordinance. The City is committed to maximizing opportunities for local businesses, as well as encouraging local businesses to locate and operate in Los Angeles County. The LBPP Ordinance allows the Department to apply additional points to the Proposer's final score under certain conditions. Proposers shall refer to Part B, "Local Business Preference Program," for further information regarding the requirements and application of the Ordinance.

If applicable, Proposers may choose to complete and upload the Local Business Certification Affidavit of Eligibility available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to the Proposal Submission Deadline. The City may request supporting documentation to verify qualification for designation as a Local Business. Only those Proposers who apply and qualify for a Local Business designation (or otherwise qualify by using a qualified Local Subcontractor) by the Proposal Submission Deadline will be made eligible for additional points that can be awarded under the Ordinance.

Proposers seeking additional information regarding the requirements of the Local Business Preference Program Ordinance may visit the Bureau of Contract Administration's website at <http://bca.lacity.org>.

4.25 CONFIDENTIALITY

All documents, records, and information provided by the City to the Contractor, or accessed or reviewed by the Contractor, and its employees during performance of the services, are confidential (hereinafter collectively referred to as "Confidential Information") and shall remain the property of the City. The Contractor agrees not to provide

Confidential Information, nor disclose their content or any information contained in it, either orally or in writing, to any other person or entity. The Contractor agrees that all Confidential Information used or reviewed in connection with the Contractor's work for the City will be used only for the purpose of carrying out City business and cannot be used for any other purpose. The Contractor will be responsible for protecting the confidentiality and maintaining the security of City documents and records in its possession.

Any Confidential Information will be made available to its employees, agents, and subcontractors only on a need to know basis. Further, the Contractor will provide written instructions to all of its employees, agents, and subcontractors, with access to the Confidential Information about the penalties for its unauthorized use or disclosure.

The Contractor must not remove Confidential Information or any other documents or information used or reviewed in connection with the Contractor's work for the City from City facilities without prior approval from the City. At no cost to the City, the Contractor will, at the conclusion of services, or at the request of the City, promptly return in an organized manner that preserves and protects the documentation, any and all Confidential Information and all other written materials, notes, documents, or other information obtained by the Contractor during the course of work under the Contract. The Contractor will not make or retain copies of any such information, materials, or documents. The Contractor and its employees, agents, and subcontractors may have access to confidential employee personnel information; misuse of such information may adversely affect the subject individual's privacy rights and may violate various federal and State statutes. The Contractor will implement reasonable and prudent measures to keep secure employee personnel information accessed by its employees, agents, and subcontractors during the performance of services. The Contractor will advise its employees, agents, and subcontractors of this confidentiality requirement.

The Contractor shall disclose the intent to use any service provider outside the continental United States of America to handle any aspect of the work within the scope of services, and shall describe to the City's satisfaction the methods, which will be utilized to protect the City's interests and confidentiality of City records and information in doing so. The City reserves the right to approve any such service provider throughout the term of the Contract at its sole and absolute discretion.

Any breach of security that occurs through the Contractor's website, offices, or network shall require the Contractor to be responsible for notifying the City and all participants affected by such breach. The Contractor shall also be responsible for all costs associated with such notification. The Contractor shall indemnify the City for any breaches of its security and the improper disclosure of Confidential Information.

4.26 GOVERNMENT TAXATION FORMS

Proposers must submit the following three forms found in Part B to the awarding authority at the same time the proposal is submitted:

- IRS Request for Taxpayer Identification and Certificate (Form W-9)
- Evidence of having applied for or obtained a tax registration account number (City of LA Tax Registration Certificate number and/or Vender Registration number)
- State of California Withholding Exemption Certificate (Form 590) or Non-resident Withholding Certification (Form 587), if the Proposer is located outside of California

4.27 ONLINE SUBMISSION OF REQUIRED DOCUMENTS

4.27.1 Equal Benefits Ordinance

Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO).

All proposers shall complete and upload the Equal Benefits Ordinance Affidavit (two (2) pages) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract, the value of which exceeds \$25,000. The Equal Benefits Ordinance Affidavit shall be effective for a period of twelve months from the date it is first uploaded onto the City's BAVN. Proposers do not need to submit supporting documentation with their bids or proposals. However, the City may request supporting documentation to verify that the benefits are provided equally as specified on the Equal Benefits Ordinance Affidavit. Proposers seeking additional information regarding the requirements of the Equal Benefits Ordinance may visit the Bureau of Contract Administration's website at <http://bca.lacity.org>.

4.27.2 First Source Hiring Ordinance

Unless approved for an exemption, contractors under contracts used primarily for the furnishing of services to or for the City and that involve an expenditure in excess of \$25,000 and a contract term of at least three (3) months, and certain recipients of City Loans or Grants, shall comply with the provisions of Los Angeles Administrative Code Sections 10.44, et seq., First Source Hiring Ordinance (FSHO). Proposers shall refer to the City's "First Source Hiring Ordinance" included in Part B for further information regarding the requirements of the Ordinance. The First Source Hiring Ordinance Compliance Affidavit shall only be required of the Proposer that is selected for award of a contract.

4.27.3 Disclosure Ordinances (Slavery Disclosure Ordinance and Disclosure of Border Wall Contracting Ordinance)

Proposers are required to complete a streamlined Disclosure Ordinance Affidavit web form that is located on the City of Los Angeles' Business Assistance Virtual Network (BAVN) at www.labavn.org. Proposers are responsible for creating a BAVN profile and completing and submitting the affidavit. See below for additional details about the Slavery Disclosure Ordinance and the Disclosure of Border Wall Contracting Ordinance.

Slavery Disclosure Ordinance (SDO):

Unless otherwise exempt, in accordance with the provisions of the Slavery Disclosure Ordinance, any contract awarded pursuant to this RFP will be subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code.

All Proposers shall complete and submit the Slavery Disclosure Ordinance Affidavit available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract.

Proposers seeking additional information regarding the requirements of the Slavery Disclosure Ordinance may visit the Bureau of Contract Administration's website at <http://bca.lacity.org>.

Disclosure of Border Wall Contracting Ordinance (DBWCO):

Any contract awarded pursuant to this RFP is subject to the disclosure requirements of the Disclosure of Border Wall Contracting Ordinance (DBWCO), LAAC Section 10.50 et seq. Proposers shall complete and submit a DBWCO Affidavit to www.labavn.org prior to contract execution.

Bidders/Proposers seeking additional information regarding the requirements of the DBWCO may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

4.28 AMERICANS WITH DISABILITIES ACT

As covered under Title II of the Americans with Disabilities Act, the City does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its proposals, programs, services, and activities. If an individual with a disability requires accommodations to attend the Pre-Proposal Conference, please contact the RFP Administrator at least five working days prior to the scheduled event.

4.29 FAIR CHANCE INITIATIVE FOR HIRING ORDINANCE

City contractors and subcontractors with ten or more employees are prohibited under Los Angeles Administrative Code Section 10.48 from seeking a job applicant's criminal history information until a job offer is made and from withdrawing a job offer unless the employer performs an assessment of the applicant's criminal history and the duties of the position (contractors and subcontractors must also comply with State requirements regarding the use of criminal history information in the job application process). Contractors and subcontractors are required to include information regarding the Ordinance in all job solicitations and advertisements and to post notices informing job applicants of their rights. Additional information and forms may be found at the Bureau of Contract Administration's website at <http://bca.lacity.org/>.

4.30 IRAN CONTRACTING ACT OF 2010

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the “Iran Contracting Act of 2010 Compliance Affidavit.”

4.31 BOND ASSISTANCE PROGRAM

For those contractors wishing to bid on City projects but who are experiencing difficulty obtaining the required bid, performance and payment bonds, the City of Los Angeles provides bonding assistance thru the Los Angeles Bond Assistance Program (BAP LA). For more information regarding the BAP LA, please go to the City’s Risk Management website at <http://cao.lacity.org/risk>.

DRAFT

SECTION 5

EVALUATION OF PROPOSALS

5.0 REVIEW PROCESS

Proposals received by the Proposal Submission Deadline, as specified in this RFP, will be evaluated as outlined below.

5.1 LEVEL ONE – PRELIMINARY REVIEW PROCESS

Proposals will be reviewed to determine (a) completeness of required documentation and (b) compliance with the City’s administrative and general contracting requirements. Proposers who fail to submit or complete required documentation or fail to satisfactorily comply with the City’s general contracting requirements will be deemed non-responsive, eliminated from further consideration, and will not proceed to the Level Two review process. Proposers will be notified in writing or email regarding the results of the Level One review.

5.2 LEVEL TWO – REVIEW CRITERIA AND EVALUATION PROCESS

A review committee will be designated to evaluate and score the technical competence of all proposals and generate findings for the Board.

Review Criteria – All written responses to the RFP questionnaire will be considered and evaluated. Evaluation of written responses will be based on the following categories and the weights associated with each factor as identified below.

ORGANIZATIONAL STRENGTH AND CONTINUITY	% WEIGHT
Background	5%
Contractual Issues	3%
Security Protocols and Disaster Recovery	2%
Sub-Total	10%
INVESTMENT CONSULTING SERVICES EXPERIENCE AND QUALIFICATIONS	% WEIGHT
Investment Option Monitoring, Analysis, and Reporting	25%
Procurements and Searches	20%
Contract Review and Development	15%
Fund Transition Services	5%
Research, Training, and Other Services	5%
Sub-Total	70%
FEES AND GUARANTEES	% WEIGHT
Fees and Charges	15%
Performance Guarantees	5%

Sub-Total	20%
TOTAL	100%

The City will evaluate each Proposer’s written responses to the RFP questionnaire contained in Section 3 of this RFP and outlined in further detail below.

ORGANIZATIONAL STRENGTH AND CONTINUITY

5.2.1 Background

The City will be evaluating each Proposer’s organizational experience, stability, financial strength, and experience in providing the specific services in this RFP, and the degree to which the Proposer can be a long-term viable partner with the City in executing the DCP’s investment-related missions, goals, and strategies.

5.2.2 Contractual Issues

The City will be assessing each Proposer’s status relative to any regulatory actions, complaints, administrative challenges, judicial actions, lawsuits, contract terminations, bankruptcy filings, conflicts of interest, or other material events initiated by or against the Proposer that may be relevant to the Proposer’s reliability as a City of Los Angeles service partner, and as part of assessing its reliability and institutional viability and ensuring that administrative functions are conducted in accordance with applicable law and regulation.

5.2.3 Security Protocols and Disaster Recovery

The City will be assessing each proposer’s ability to (1) protect and maintain the confidentiality and security of all confidential information in its possession; and (2) maintain adequate disaster recovery plans and resources.

INVESTMENT CONSULTING SERVICES EXPERIENCE AND QUALIFICATIONS

5.2.4 Investment Option Monitoring, Analysis, and Reporting

The City will be assessing the Proposer’s experience and qualifications to provide ongoing investment option monitoring, analysis, and reporting consulting services including but not limited to: evaluating performance results and investment management fees relative to the appropriate benchmark and peer rankings for each investment fund option; advising the DCP of significant changes impacting DCP funds including management team depth and personnel stability, portfolio construction, adherence to style objectives, and organizational stability; providing advice on the continuing appropriateness of each DCP investment manager and each investment fund option; recommending modifications regarding the overall investment program; and preparing and presenting written and verbal analysis and summary on the economy, financial markets, and the DCP’s specific investment options, investment manager activities, and performance on a quarterly basis.

5.2.5 Procurements and Searches

The City will be assessing the Proposer's experience and qualifications to provide IMP and MFS search, development, and review consulting services including but not limited to: developing search processes for investment management services including professional management of mutual funds, separate accounts, variable annuities, commingled funds, bank/money market funds, certificates of deposit, and other such holding vehicles for all investment options made available within the DCP's core investment menu; preparing investment manager RFPs; conducting thorough review and analysis of prospective investments and providing written and verbal reports of the qualifications of potential investment managers or custodial banks; reviewing investment manager RFP responses to identify qualified candidates based on the criteria presented in the RFP; and assisting in evaluating provider data and generating recommendations to the Board for action.

5.2.6 Contract Review and Development

The City will be assessing the Proposer's experience and qualifications to provide assistance in the review and development of proposed contracts for investment management services and drafting, reviewing, and providing advice regarding amendments or extensions to existing contracts.

5.2.7 Fee Transition Services

The City will be assessing the Proposer's experience and qualifications to provide consulting services related to the transition of administrative or investment management services and assets from one provider to another and professional transition management services for separate accounts, commingled trusts, group insurance contracts, mutual funds, and other investment vehicles.

5.2.8 Research, Training, and Other Services

The City will be assessing the Proposer's experience and qualifications to provide ad hoc miscellaneous research and educational workshops and training on a variety of topics including but not limited to: economic forecasts and trends; proposed legislation affecting the DCP investments menu; new, emerging, and alternative investment options; investment trends; and fiduciary duties and responsibilities as directed by the Board and/or staff.

FEES AND GUARANTEES

5.2.9 Fees & Charges

The City values proposals that include reasonable, cost-effective, and competitive fees to perform the services described in this RFP. All Proposers must submit a comprehensive list of all proposed fees, including but not limited to hourly fees, fixed fees,

transactional fees, pass-through expenses, etc. All fees that the Proposer will or may impose or charge are required to be disclosed.

The City values proposals which provide the highest degree of clarity in planning for and projecting its future costs. As such, the City welcomes fee proposals which are inclusive of the highest degree possible of all actual or potential costs and do not include structured annual fee increases.

The proposed fees submitted by the Proposer for providing the services described in this RFP shall constitute a firm and fixed offer to the City that will remain open and valid for a minimum of 12 months from the proposal submission deadline.

5.2.10 Performance Guarantees

The City will be evaluating each Proposer's proposed performance guarantees, with a focus on those that are meaningful, measurable, and relate to the core mission of the DCP and other objectives that have been identified in this RFP.

5.2.11 ADDITIONAL INFORMATION

Any other data the Proposer considers essential to the evaluation of its proposal shall be clearly stated in this section. If there is no additional information the Proposer wishes to present, the Proposer should state, "There is no additional information we are presenting pursuant to this Request for Proposal."

Evaluation Process – The City's evaluation process will include the following:

- In assigning its ratings, the review committee will review RFP responses from each Proposer;
- Review committee evaluations will be documented and supported by the observations and evaluations of the review committee;
- Proposers will be required to participate in a non-rated engagement exercise for the sole purpose of clarifying their written responses to the RFP. The engagement exercise will occur on dates to be determined by the City. The engagement exercise will be on a specific topic or topics included within the RFP questionnaire. All Proposers will participate in the engagement exercise on identical topics. Proposers will receive advance notice of the topic(s). Proposers will not be permitted at the engagement exercise to discuss the qualifications of their firm beyond information provided in their written proposals; enhance their written proposals; or otherwise discuss any other component of their RFP response or interest in securing business with the City not included within the pre-determined topic(s);
- Summarization and documentation of the basis of the review committee's findings will be provided to the Board;

- Upon consideration of the review committee’s findings, the Board will have the option of requesting a Best and Final fee proposal from all Proposers, as well as oral presentations from some or all of the Proposers; and
- Upon consideration of the review committee’s findings, the results of any Best and Final offer submitted by the Proposers, any oral presentations from Proposers, and its own deliberations, the Board shall make a recommendation for selection.

Evaluation Methodology – The review committee will utilize a qualitative and quantitative evaluation methodology for a Proposer’s Response, as provided below:

- Responses to each RFP question will be assigned one of five qualitative evaluation ratings (Excellent, Very Good, Satisfactory, Marginal, and Unsatisfactory) based on the review committee member’s review of the responses. The evaluations will be relative to objective assessments as well as relative to the responses of the other Proposers.
- Each qualitative evaluation rating for each RFP question will correspond to a numerical value as follows:
 - Excellent: 5
 - Very Good: 4
 - Satisfactory: 3
 - Marginal: 2
 - Unsatisfactory: 1
- The numerical values associated with each RFP question will be weighted appropriately in accordance with the established broader category and sub-category weighting criteria.
- The weighted numerical values of each RFP question within each category shall then be subtotaled. The subtotaled value will also be converted into a qualitative rating determination for such category based on the total weighted numerical value available for such category. The qualitative rating determination will be as follows:
 - 90% or higher: Excellent
 - 80-89%: Very Good
 - 70-79%: Satisfactory
 - 60-69%: Marginal
 - 59% and below: Unsatisfactory
- The weighted subtotal of each category will then be aggregated to reach a total percentage score, with such percentage score then to be assigned an overall Proposer qualitative rating determination, as follows:
 - 90% or higher: Excellent
 - 80-89%: Very Good
 - 70-79%: Satisfactory

- 60-69%: Marginal
- 59% and below: Unsatisfactory

➤ Summary ratings will be transmitted to the Board, including qualitative rating determination associated within each category, with the weighting of the category duly noted.

The qualitative evaluation determination categories, and associated indicators, are provided as follows:

Qualitative Evaluation Determination	Indicators
(a) Excellent	<ul style="list-style-type: none"> Response meets all and substantially exceeds many requirements. Response contains elements where there is significant increased value, innovation, technology, and/or program stability. Response demonstrates exceptional success with initiatives related to scope of services and key success metrics. No significant weaknesses identified.
(b) Very Good	<ul style="list-style-type: none"> Response meets all requirements and exceeds some requirements. Response contains elements where there is some increased value, innovation, technology, and/or program stability. Response demonstrates some success with initiatives related to scope of services and key success metrics. No significant weaknesses identified.
(c) Satisfactory	<ul style="list-style-type: none"> Response meets all requirements. Response contains elements where there is some increased value, innovation, technology, and/or program stability. Response demonstrates some success with initiatives related to scope of services and key success metrics. Very few weaknesses identified.
(d) Marginal	<ul style="list-style-type: none"> Response meets some requirements. Response does not contain or does not clearly indicate elements that pertain to value, innovation, technology, and/or program stability. Response touches upon work relative to scope of services and key success metrics but demonstrated experience and success is unclear. Weaknesses identified.
(e) Unsatisfactory	<ul style="list-style-type: none"> Response does not meet requirements. Response contains no elements of or indication of value, innovation, technology, and/or program stability. Response does not demonstrate or touch on work relative to scope of services and key success metrics. Significant weaknesses identified.

5.3 PROPOSAL PROTEST

5.3.1 Level One – Preliminary Review

A proposer may file a protest regarding disqualification at the Level One review (see Section 5.1, “Level One – Preliminary Review Process”). A Notice of Protest must be filed

in writing and submitted to the RFP Administrator within five (5) calendar days of the notification of disqualification date. The Notice of Protest must clearly state the grounds for the protest and the facts on which they are based. DCP staff will respond to a protest within 15 calendar days of receiving it. The decision of the DC Plan Manager will be final.

5.3.2 Level Two – Award of Contract Recommendation

Proposers may file a protest regarding the award of the contract recommendation. A Notice of Protest must be filed in writing and submitted to the RFP Administrator within seven (7) calendar days of the date the Board makes its final Proposer selection pursuant to this RFP. The Notice of Protest must clearly state the grounds for the protest and the facts on which they are based. A protest based on non-selection alone or disagreement with the award of the contract recommendation is not sufficient grounds for a protest.

Personnel Department staff will respond to a protest, in writing, within 20 calendar days of receiving it. Findings and/or recommendations will be submitted to the Board of Deferred Compensation Administration, and the decision of the Board will be final.

5.3.3 Contract Award Subject to Successful Negotiation

Upon recommendation for selection, the successful proposer will be required to produce, within two working days, a document identifying any potential inconsistencies or requested exceptions involving the City's Standard Provisions. A plan for addressing any potential inconsistencies or requested exceptions will need to be established and resolved between the Board and the Proposer within two calendar weeks of the date of the Board's recommendation. The award of the contract is subject to successful negotiation of all terms and conditions related to and including a contract between the proposer and the Board.

SECTION 6

GENERAL TERMS & CONDITIONS

6.0 PROPERTY OF CITY/PROPRIETARY MATERIAL

All proposals submitted in response to this RFP will become the property of the City and subject to the disclosure requirements of the California Public Records Act (California Government Code Section 6250 et seq). Proposers must identify all trade secrets or other proprietary information that the Proposers claim are exempt from the Public Records Act. The City Attorney will make an independent determination regarding whether the identified information is disclosable. In the event a Proposer claims such an exemption, the Proposer is required to state in the proposal the following:

“The Proposer will indemnify the City and its officers, employees, and agents, and hold them harmless from any claim or liability and defend any action brought against them for their refusal to disclose trade secrets or other proprietary information to any person making a request therefore.”

Failure to include such a statement will constitute a waiver of a Proposer’s right to exemption from this disclosure.

6.1 PRE-AWARD NEGOTIATIONS

Prior to award of the Contract, the successful Proposer(s) may be required to attend negotiation meetings that will be scheduled at a later date. The intent of the meeting(s) will be to discuss and negotiate contract requirements, prices/premiums, service level agreements, detailed scope of work specifications, ordering, invoicing, delivery, receiving and payment procedures, etc. to ensure successful administration of the Contract.

6.2 EXECUTION OF CONTRACT

Unless otherwise stated, proposals submitted will be irrevocable for a period of 12 months following the Proposal Submission Deadline. A Contract will be developed following action by the Board.

Any contract made pursuant to this RFP must be accepted in writing by the Proposer. If for any reason the Proposer should fail to accept the Contract in writing, then the Proposer may be deemed non-responsive and the Board may commence contract negotiations with another Proposer.

Please note that the City takes a legal approach whereby **all contracts contain an order of precedence. In the event of a discrepancy between the provisions of the Contractor's documents and the City's documents, the City's documents take precedence with respect to resolution of the discrepancy, unless otherwise provided.**

6.3 AMENDMENTS/MODIFICATIONS/CHANGE ORDERS

Any amendments, adjustments, alterations, additions, deletions, or modifications in the terms and/or conditions of the resultant Agreement must be made by written amendment/change order approved by the Contracting Authority, the Contractor, and signed by the City Attorney. If the Contractor performs any modification without a written amendment/change order, the Board will neither pay nor be obligated to accept said modification.

6.4 PRIME CONTRACTOR

The Proposer awarded the Contract must be the prime Contractor performing the primary functions of the Contract. If any portion of the Contract is to be subcontracted, it must be clearly set forth in the proposal document as to what part(s) are to be subcontracted, the reasons for the subcontracting, and a listing of subcontractors. The Board reserves the right to reject any proposal wherein use of subcontractors significantly affects the ability of the Proposer to function as the prime Contractor on the awarded contract. The prime Contractor will at all times be responsible for the acts and errors or omissions of its subcontractors or joint participants and persons directly or indirectly employed by them.

6.5 SUBCONTRACTORS/JOINT VENTURES

6.5.1 Subcontractor Use

Acceptance or rejection of a Proposer's request to use subcontractors is at the sole discretion of the Board. With written approval of the Board, the Contractor may enter into subcontracts and joint participation agreements with others for the performance of portions of the resultant Agreement.

The provisions of the resultant Agreement will apply to all subcontractors in the same manner as to the Contractor. In particular, the Board will not pay, even indirectly, the fees and expenses of subcontractors that do not conform to the limitations and documentation requirements of the resultant Agreement.

6.5.2 Copies of Subcontractor Agreements

Upon written request from the City, the Contractor will supply the City with all subcontractor agreements at no cost.

6.6 SUPPLIER PERFORMANCE FEEDBACK MEETINGS

The Proposer awarded the resultant Contract is required to attend periodic performance feedback meetings facilitated by the Contracting Authority. The meetings will focus on the Contractor's and the City's performance in fulfilling the service level requirements contained in the Contract. The meetings will provide a forum to informally discuss opportunities for improving Contract terms and conditions, service level requirements, and cost reductions for both parties.

6.7 REPLACEMENT OF CONTRACTOR'S STAFF

The City reserves the right to have the Contractor replace any contract personnel with equally or better qualified staff at its sole discretion by providing written notice to the Contractor. In addition, the City reserves the right to approve in advance any changes in project personnel or levels of commitment by the Contractor to the project.

6.8 CONTRACTOR'S ADDRESS

The address given in the proposal response will be considered the legal address of the Contractor and will be changed only by written notice to the City. The Contractor will supply an address to which certified mail can be delivered. The delivery of any communication to the Contractor personally, or to such address, or the depositing in the United States Mail, registered or certified with postage prepaid, addressed to the Contractor at such address, will constitute a legal service thereof. Also, telephone numbers, fax numbers, and email addresses (if applicable) must be provided.

6.9 TERM AND OPTION TO RENEW

The term of any contract(s) established pursuant to this RFP shall be for the period identified in this RFP. The Board reserves the right in its sole discretion to seek an extension of the term of the Contract.

6.10 CITY REQUIREMENTS AND STANDARD PROVISIONS FOR CITY CONTRACTS

Please carefully review the information contained in the City of Los Angeles Requirements and Checklist (Part B), including the Standard Provisions for City Contracts (Rev. 10/17). Compliance with these requirements and submission of necessary forms is **mandatory** at the time of submission of a proposal, prior to award of a Contract, or both. Accordingly, the City reserves the right to declare as non-responsive and reject any proposals in which information is requested and not furnished or when a direct or complete answer is not provided. These requirements will be discussed in detail at the Pre-Proposal Conference.

6.11 GOVERNING LAW

All matters relating to the formation, validity, construction, interpretation, performance, and enforcement of the RFP and the resultant Contract, must comply with all applicable laws of the United States of America, the State of California, and the City. Any action to interpret or enforce the provisions of this RFP shall be filed in the Superior Court of the County of Los Angeles.

6.12 CALIFORNIA STATE SALES TAX

Do not include California State sales tax in prices quoted unless otherwise requested. If requested, sales tax must be identified as being included in the pricing.

6.13 CALIFORNIA STATE BOARD OF EQUALIZATION PERMIT

Proposer must enter the company's State of California Board of Equalization permit number on the proposal form. If the company does not have this permit, the Proposer must sign the proposal form declaring that the company has no California sales tax permit.

6.14 FEDERAL EXCISE TAXES

The City of Los Angeles is exempt from the payment of excise taxes imposed by the Federal Government. Such taxes must not be included in the proposed prices. The Department of General Services, upon request, will furnish Federal excise exemption certificates.

6.15 PERIODIC INDEPENDENT AUDIT

The City reserves the right to assign an independent auditor to assess the quality of services being provided and the extent to which the Proposer and its subcontractors are conducting City business within generally accepted industry standard practices. Each Contractor will be required to cooperate fully with any external audit.

6.16 FINANCIAL AUDIT

Firms providing services to the City will be responsible for the verification of the legitimacy of payments made to service providers and their subcontractors. The City, therefore, reserves the right for staff of its Office of the Controller or their designee to conduct audits of financial accountability procedures.

6.17 PROPOSER BACKGROUND INFORMATION

Proposers must submit contact information as requested in the proposal questionnaire.

6.18 VERIFICATION OF PRIOR CITY CONTRACTS

Proposers are required to provide a list of all City contracts held within the past ten years to be included in the response package for all bids and proposals. Performance on past contracts with the City will be reviewed by the City. Failure to disclose this information will deem the proposal non-responsive and disqualified from further consideration in the evaluation process.

6.19 HISTORY OF TERMINATED CONTRACTS

Proposers must describe any incident within the past ten years in which their business has had a contract terminated for default as requested in the proposal questionnaire.

6.20 BUSINESS ORGANIZATION

The Proposer shall provide an overview of the entity submitting this RFP as requested in the proposal questionnaire.

6.21 PROPOSED SUBCONTRACTOR INFORMATION

If applicable to the proposal, information must be provided for each proposed subcontractor as requested in the proposal questionnaire.

6.22 PROPOSER SIGNATURE DECLARATION

The Proposer shall provide a Signature Declaration as requested in the proposal questionnaire.

6. CODE OF ETHICS

- 6.1. Members of the Board and staff must at all times meet high ethical standards that exceed legal minimums as mandated in State ethics laws, the City Ethics Ordinance and Code of Ethics, and Mayoral Directives. Individual Board members and staff shall avoid favoritism, conflict and disclosure of privileged information at all times and shall act in the best interest of the Plan consistent with their fiduciary duties.
- 6.2. Board members and staff shall conduct themselves with integrity and dignity, strive to understand the Plan's objectives, and exercise care, prudence and diligence in handling confidential information.
- 6.3. Board members and staff shall not seek nor accept any compensation or political contributions that would violate California law, including without limitation the Political Reform Act of 1974 and City Ethics Ordinance.
- 6.4. Board members and staff shall comply with gift restrictions and travel advancement/reimbursement requirements set forth in State law and City regulations and policy.
- 6.5. Board members and staff shall take positive steps to prohibit breaches of duty (through negligence or intentional action), unauthorized communication with individuals seeking to influence the Board, and unauthorized communication with individuals who may receive personal gains as a result of Board actions, such as, but not limited to, the conducting of serial meetings and discussion with any respondents to any procurement process concerning issues directly related to the matter while the procurement process is underway.
- 6.6. Board members and staff shall not act or participate in any manner on matters on which they may have a conflict of interest or an appearance of a conflict of interest as set forth in California law and City regulations and policy. As soon as a Board member or staff member becomes aware of a potential conflict of interest, he/she shall immediately consult with the Board Counsel for guidance. A Board member or staff member who has a conflict of interest or an appearance of a conflict of interest on any matter shall comply with the rules regarding recusal.
- 6.7. Board and staff members shall not request, receive or agree to receive anything of value or other advantages in exchange for a decision or influence on a decision. As soon as a Board member or staff member becomes aware of a potential breach of this obligation, he/she shall immediately consult with the Board Counsel and staff.
- 6.8. Board members and staff shall not communicate with current or prospective vendors or their representatives, or any other person or organization, for the purpose or intent of having a particular vendor secure or maintain a contract or business with the City's Plan, or otherwise realize financial gain from the City's Plan. As soon as a Board member or staff member becomes aware of a potential breach of this obligation, he/she shall immediately consult with the Board Counsel and Plan staff.

6.9. Board members and staff recognize that all Plan business transactions are to be based on integrity, competence, financial merit and benefit to Plan participants and their beneficiaries, and not on personal relationships.

7. PROCUREMENT PROCESSES AND CONTRACTING

7.1. Pursuant to the obligations and expectations outlined in Section 6, Code of Ethics, the Board and staff recognize that it is imperative during all procurement and contracting processes to safeguard the trust of the City of Los Angeles Deferred Compensation Plan participants, assure the integrity of the process, meet their fiduciary obligations as members of the Board and staff, provide a fair and equitable process for interested vendors, efficiently consider the broadest pool of potential providers, and make decisions which are based strictly on what is in the best interests of the Plan and its participants. Towards that end, all members of the Board and staff agree to conduct themselves in the highest ethical manner before, during and following a procurement process, to include the following:

- A. Board members and staff agree not to meet privately with employees, representatives or registered lobbyists of any actual or potential respondents in the twelve months prior to scheduled initiation of a procurement process, nor within any time period following the initiation of a procurement process and up until the final contract award, with the purpose or result of engaging in a conversation materially related to the vendor's securing business from the City's Plan. Should a Board member engage in such a meeting, he/she shall, apart from any potential sanctions under the Ethics Ordinance, be disqualified from voting on or taking any other action in regard to the selection of the contractor. Should a staff member engage in such a meeting, he/she shall, apart from any potential sanctions under the Ethics Ordinance or disciplinary action, be disqualified from participating directly or indirectly in the evaluation of RFP responses. The date, location, and substance of the matters discussed in such meetings as described above shall be disclosed in writing and submitted to staff for distribution to the Board and made available for public review. Nothing in this section shall prohibit staff members from communicating with actual or potential respondents to an RFP as provided for in the rules for communication as set forth in a given RFP, nor shall it restrict communications with incumbent vendors for the purpose of ongoing administration of the City's Plan.
- B. No member of the Board shall participate directly in the development, review, evaluation, negotiation, or recommendation process of responses to RFPs or any other requests award of a contract, contract amendment, or change order involving the Board except as provided in Los Angeles Municipal Code Section 49.5.17 "Commissioner Participation in Contracting Process". All such reviews shall be conducted by the Board's staff, consultant, and/or other members of a review committee established by the Board for each RFP.
- C. This section is not intended to prohibit contact with potential candidates for award of a contract at group social events, educational seminars, conferences, or charitable events so long as there is no direct marketing, and there are no discussions about the contract or the process to award it.

- 7.2. In order to maintain a high standard of neutral and unbiased administrative services and investment counseling, the Board will not simultaneously enter into service provider relationships for Third-Party Administrator (TPA) services and for Plan investment provider services when investment-related services are either (a) bundled together with TPA services as part of a combined administrative/investment offering, (b) offered as a separate standalone investment option, or (c) provide a substantial risk of an actual or perceived incentive for the TPA to favor particular investments over others within the Plan's investment menu. The Board's decision-making regarding service provider relationships will always be guided by its determination of what is in the best interest of Plan participants.