



WASHINGTON STATE  
**INVESTMENT BOARD**

**REQUEST FOR QUALIFICATIONS & QUOTATIONS  
(RFQQ)**

FOR

**PRE-QUALIFIED POOL**

OF

**TANGIBLE ASSET INVESTMENT CONSULTANTS**

**RFQQ 19-01**

**JULY 2018**

***IDENTIFICATION OF OFFEROR'S PROPRIETARY INFORMATION:***

*OFFERORS ARE ADVISED THAT THE WASHINGTON STATE INVESTMENT BOARD IS A WASHINGTON STATE PUBLIC AGENCY AND IS THUS SUBJECT TO PUBLIC RECORDS REQUESTS. THERE ARE PERMISSIBLE EXEMPTIONS FROM PUBLIC DISCLOSURE PURSUANT TO CHAPTER 42.56 REVISED CODE OF WASHINGTON (RCW) BUT THEY ARE LIMITED, NARROW IN SCOPE AND STRICTLY CONSTRUED. OFFERORS WISHING TO CLAIM PORTIONS OF THEIR RESPONSE AS CONFIDENTIAL AND EXEMPT FROM PUBLIC DISCLOSURE ARE ADVISED TO CAREFULLY READ SECTIONS 5.5.1 AND 5.6 OF THIS RFQQ FOR MORE DETAIL.*



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## SECTION 1: INTRODUCTION

### 1-1 Background

The Washington State Investment Board (hereinafter WSIB or Board), a major institutional investor with \$120 billion under management and a reputation for innovation, seeks to contract with firms to create a pre-qualified pool of consultants for investment consultant services for tangible asset investments on a project basis as needed. Consultants will be engaged to provide services to the WSIB. This solicitation is for consulting services for certain tangible asset investments including agriculture, commodities, infrastructure, natural resource rights, timber and other related tangible asset investments.

The WSIB is a public agency of the state of Washington established to administer the state's investment activity. The WSIB investment programs include both qualified (IRC §401(a)) retirement programs and non-qualified programs. The WSIB manages the investment of defined-benefit retirement funds, a hybrid retirement plan consisting of defined-contribution and defined-benefit components, a deferred compensation plan (IRC §457), a large pool of insurance fund assets, and a number of permanent and other trust funds. To learn more about the WSIB, please visit our website at [www.sib.wa.gov](http://www.sib.wa.gov).

### 1-2 Purpose

Pursuant to Chapter 39.29 of the Revised Code of Washington (RCW), the WSIB is conducting this procurement (RFQQ) to select investment consulting firms and awarding contracts to create a pre-qualified pool (Pool) of qualified firms (contractors) that can provide investment consulting services to meet current and future needs of the WSIB on an as needed project basis. Through these relationships, the WSIB intends to gain access to cutting-edge investment research tools, thought leadership and leading senior consultant teams. The goal is to ensure that the WSIB will have timely access to management-level consultant expertise on diverse investment issues for any funds, whether currently held or added in the future, for which the WSIB holds investment management responsibility on behalf of its beneficiaries.

The result of this Search process will be the awarding of an Optional-Use Contract (contracts) with one or more firms to create this tangible asset investment consultant pool. Please note: Optional-Use Contracts do not include compensation or a guarantee of compensation. Compensation is available only through award and completion of a project work order.

The role of the successful offerors will be to cooperatively assist WSIB staff, operating under the direction of the Board, in research and due diligence activities pertaining to investment issues or concepts and, in doing so, provide the WSIB with independent, clear and unbiased advice.

### 1-3 Two Tier Solicitation Process

This is a two tier solicitation process. The first tier starts with the release of this RFQQ and concludes with the award of optional-use contracts (Contracts) intended to create the Pool of pre-qualified contractors for Tangible Assets. The purpose of this RFQQ is to determine offeror qualifications and obtain a fixed fee schedule. The Optional-Use Contracts awarded to Contractors will define the terms and conditions of the contractual relationship. The term of the Contracts will be for five (5) years with the option to extend the Contract at the discretion of the WSIB for an additional five (5) years. The number of Offerors awarded a Contract will be determined after review and scoring of responses to this RFP. **Please note:** Optional-Use Contracts do not include a retainer fee, a guarantee of work, or a guarantee of compensation. Compensation is available through awards in the second tier process.

The second tier process arises as the WSIB determines a need (project) for a specific service. The WSIB will issue a Work Request for a project to one or more Contractors within the Pool. The purpose of the Work Request is to obtain a proposal from the Contractor and a final quotation of the cost associated with the specified project. The second tier will conclude with the award of a Work Order detailing the specific work entailed and the maximum compensation to a single Contract.

#### **1-4 Nature of consulting services and Scope of Work**

Tangible asset investment consulting services should include, but not limited to, providing: due diligence services, asset class and structural analyses, investment manager or partner searches, investment manager or partner evaluations, and consulting and education on industry best practices for the tangible asset investment categories being reviewed by the WSIB.

#### **1-5 Updating/Refreshing the Pools**

This RFQQ will be used to create a new tangible asset consultant pool. Due to market conditions or needs, the WSIB may choose to add consultants in the future by refreshing through the issuance of additional RFQQs as needed. Subsequent RFQQs may be modified to meet needs at the time of the issuance and may include revised qualification requirements, evaluation criteria, terms and conditions.

#### **1-6 Overview of the WSIB**

The WSIB is a state agency with offices located in Olympia, Washington. The WSIB performs “all duties prescribed by law with respect to the investment of public trust and retirement funds.” RCW 43.33A.010 Led by an independent 15-member Board, as described in RCW 43.33A.020, the Board conducts its investment activities in accordance with applicable state laws and investment policies and procedures designed to maximize returns at a prudent level of risk and acts exclusively in the sole interests of the funds’ stakeholders and beneficiaries. The Board generally meets seven to eight times per year to set policy, review investment results, and act upon staff and consultant recommendations.

The agency is composed of three primary divisions: Investments, Operations, and Institutional Relations, and is headed by an Executive Director appointed by the Board. The Board and agency are governed by general statutes and rules established for all state agencies, officials, and employees in the performance of their public duties, as well as internal policies and procedures.

The WSIB manages investments for 17 separate pension plans for public employees, teachers, school employees, law enforcement officers, firefighters and judges. To more efficiently manage investments, reduce administrative costs, and minimize fees, defined benefit retirement fund assets are pooled into the Commingled Trust Fund (CTF). As of December 31, 2017, the value of the CTF was \$98.4 billion. The CTF is invested in six basic asset classes: public equity, fixed income, private equity, real estate, tangible assets and cash. Some asset classes are managed by external managers, and some internally. Each fund managed by the Board is assigned a strategic asset allocation, which includes the asset classes used by that fund, long-term policy targets for those asset classes, and the acceptable ranges within which those targets can vary.

The below table contains information on the CTF's asset allocation as of December 31, 2017

	December 31, 2017		
	Allocation (\$MM)	Long Term Target	Range
<b>Fixed Income</b>	22,300	20.0%	16 - 24%
<b>Tangible Assets</b>	3,677	7.0%	5 - 9%
<b>Real Estate</b>	16,504	18.0%	15 - 21%
<b>Public Equity</b>	34,801	32.0%	27 - 37%
<b>Private Equity</b>	19,926	23.0%	19 - 27%
<b>Innovation</b>	15	0.0%	0 - 5%
<b>Cash</b>	1,226	0.0%	0 - 3%
<b>Total CTF</b>	98,400		

More information on the CTF asset allocation can be found on the WSIB website at [http://www.sib.wa.gov/information/pdfs/policies/2\\_10\\_050.pdf](http://www.sib.wa.gov/information/pdfs/policies/2_10_050.pdf).

In addition to the CTF, the WSIB also manages investments for 18 other public funds that support or benefit industrial insurance, colleges and universities, developmental disabilities, and wildlife protection. As trustee of the Plan 3 retirement systems for Public Employees Retirement System (PERS 3), School Employees Retirement System (SERS 3), Teachers Retirement System (TRS 3) and the Judicial Retirement Account (JRA), the WSIB also manages the defined contribution investment options of the hybrid plans. To inform your response and to aid in preparation of your answers to the questionnaire, please visit the WSIB web site at [www.sib.wa.gov](http://www.sib.wa.gov), including policies Tangible Asset investments at [http://www.sib.wa.gov/information/pdfs/policies/2\\_10\\_900.pdf](http://www.sib.wa.gov/information/pdfs/policies/2_10_900.pdf).

## SECTION 2: STATEMENT OF WORK

### 2-1 Scope of Work

The WSIB seeks to create a pool for tangible asset consulting services. The goal is to ensure that the WSIB will have timely access to cutting-edge investment research tool and management-level consultant expertise on diverse tangible asset investment issues, whether currently existing or created in the future during the life of the contract.

### 2-2 Services to be Provided and Assignment of Work

Work will be assigned to a Contractor in a manner consistent with the terms of the Optional-Use Contracts. The scope of each discrete assignment or project will depend upon the particular investment or matter on which the WSIB requests consultant assistance.

As projects arise, WSIB will issue a Project Work Request to contractors within the Pool, seeking services for the specific project. The Project Work Request will clearly delineate the scope of the project, the project timeline, and required appearances, if any, before a WSIB Committee and/or the Board. A Work Request may require a Contractor to meet with WSIB staff during a particular project on a periodic basis at a location and time specified by the WSIB to review portfolios, investment process, organizational issues, performance, special projects, or other relevant topics. A Project Work Order to engage services will be awarded based on the contractor's proposal; expertise and experience; availability; and proposed project cost.

In addition to providing services, Contractors must invite WSIB staff and Board members to participate in the Contractor's Client Conferences and any and all other client conferences or similar educational activities provided by the Contractor and normally offered to similar clients without cost. Invitations are contingent upon a fee payment by the WSIB to Contractor pursuant to any Work Order performed within the Contract period. The fee paid to the Contractor must exceed the cost of such conferences or education activities, including but not limited to all registration fees, materials, lodging, conference meals and refreshments.

### 2-3 Contract Management

The WSIB's Senior Investment Officer for Tangible Assets will be designated as the WSIB's contract manager. The contract manager will be responsible for:

- A. Clarifying with the Contractor the expectations of the WSIB, how the WSIB envisions the contractual relationship working on a day-to-day basis;
- B. Overall direction and planning;
- C. Monitoring Contractor progress against contractual commitments and approving payment; and
- D. Designating specific WSIB staff as Project Manager for day-to-day liaison with Contractor on specific projects; and
- E. Requesting regular status reports with Contractor as needed.

## SECTION 3: OFFEROR QUALIFICATIONS

### 3-1 Mandatory Minimum Qualifications

As of the RFQQ Due Date, Offerors for the Tangible Asset Investment Consulting Pool must satisfy *all* of the requirements as outlined below in order to be considered for the contract award:

- A. The Offeror must agree to provide the minimum investment consultant services requirements as well as all other requirements stated in this RFQQ.
- B. The Offeror must have a minimum three (3) years of actual consultant history in the field for which the Offeror submits a response.
- C. The Offeror must accept the written contract as appended to this RFQQ. The Offeror must have the approval of their legal representative to the Sample Contract format set forth as Exhibit “F” prior to submittal of a response.
- D. The key professionals and/or organization submitting a response must not have, nor could they potentially have, a material conflict of interest with the WSIB or their respective investment managers.

## SECTION 4: GENERAL INFORMATION

### 4-1 Definitions

- **“RFQQ”** means this Request for Qualifications & Quotations, any *addendum* or *erratum* thereto, Offerors’ written questions and the respective answers, and any related correspondence that is: (1) addressed to all Offerors and (2) signed by the Executive Director, his or her designee, or the RFQQ Coordinator
- **“Business Day”** means any day of the week other than Saturday, Sunday, or a holiday observed by the State of Washington or the Federal Reserve Board.
- **“Offeror”** means an entity intending to submit or submitting a response to obtain an Optional-Use contract.
- **“Response”** means all information submitted in reply to this RFQQ, including any additional information requested by or provided to the WSIB.
- **“Apparently Successful Offerors” or “Successful Offerors”** mean the Offerors selected by the Washington State Investment Board (WSIB) as entities qualified to perform the anticipated services.
- **“Contractor”** means a consultant or consulting firm awarded an Optional-Use contract through this RFQQ.
- **“Executive Director”** means the WSIB employee authorized by RCW 43.33A.100 who serves as the senior executive of all staff operations.
- **“WSIB”** means Washington State Investment Board described in RCW 43.33A.020 and staff authorized by RCW 43.33A.100. It may also be referred to as “Board” or “Agency” in this RFQQ.
- **“Pool”** means a list of qualified consultant firms that have been awarded an Optional-Use contract for investment consulting services related to investments in physical assets used in the production or supply of goods and services or related investments.
- **“Project Work Request”** means a document issued by the WSIB to Pool Contractors requesting a proposal and bid for specific project services.
- **“Project Work Order”** means the document which awards a specific project to a Contractor, and includes the statement of work or services; deliverables; start and completion dates; compensation and other specific terms.

Contract definitions are provided in Exhibit F on page one of the Attachment A, General Terms and Conditions of the Sample Contract.

### 4-2 Compensation and Payment

The Contractor’s compensation for services must be for services or hours actually rendered or worked in performance of an awarded Project Work Order at rates set forth in the Contract. Whether quoted hourly or at other rates, rates must be all-inclusive and must cover all charges including but not limited to salary, benefits, indirect costs, travel and supplies.

The WSIB may, at its discretion, choose to negotiate rates prior to award of a Contract. Compensation for an awarded Project Work Order will be at the rates set forth in the Contract.

Except as expressly agreed to by the WSIB in writing in advance, pool contractors submitting a response to a Project Work Request for a specific project may not submit a response which includes rates above the rates included in the Optional-Use Contract. Upon execution of the Project Work Order compensation will be fixed, based on the proposed hours to complete the work (as provided in the contractor's proposal to a Project Work Request), and may not be exceeded. Contractors awarded a Project Work Order will be required to complete the project within the proposed costs.

Award of a contract does not assure a guaranteed level of work.

#### **4-3 Expected Time Period For Contract**

The WSIB anticipates executing contracts as early as November of 2018. Contracts will begin on or about January 1, 2019, and terminate December 31, 2023. However, the WSIB will have the sole discretion to extend the contract an additional five-year term, to December 2027.

#### **4-4 Eligibility to Compete**

To eliminate potential conflicts, the WSIB does not generally hire entities that seek to provide both investment management and investment consulting services. Therefore, any firm, which either itself as a parent company or through a subsidiary or affiliate is currently performing investment management services for the WSIB may **not** compete in this investment consulting services RFQQ. The firm(s), or any subsidiary, affiliate or parent company thereof, selected as a result of this investment consulting services procurement may **not** compete during the term of the resulting contract, and any extensions thereto, in any subsequent WSIB procurement the main purpose of which is to hire a firm or firms for investment management services.

## SECTION 5: INSTRUCTIONS FOR COMPLETING AND SUBMITTING BIDS

### 5-1 Board Contact

The RFQQ Coordinator is the sole point of contact. Throughout the duration of the procurement process, all communications are to be directed in writing to [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov). **Contact not previously authorized by the RFQQ Coordinator with other WSIB staff or Board members regarding this procurement after issuance of this RFQQ may disqualify the Offeror.**

WASHINGTON STATE INVESTMENT BOARD  
2100 EVERGREEN PARK DRIVE SW, P.O. BOX 40916  
OLYMPIA, WA 98504-0916  
ATTN.: RFQQ COORDINATOR  
EMAIL: [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov)

### 5-2 Intent to Respond and Questions

“Letters of Intent to Respond” in the format of Exhibit “A” attached hereto and any questions regarding this RFQQ must be in writing and **must be received by email at [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov) by 4:30 p.m. Pacific Daylight Time, August 17, 2018.** The Letter of Intent to Respond must include an authorized signature. The “Letters of Intent to Respond” are used to gauge how many responses the WSIB can expect in order to plan schedules. No questions will be answered after the proposal due date unless the WSIB needs clarification on an issue pertaining to a proposal. Failure to submit a “Letter of Intent to Respond” and “Questions” does not preclude the Offeror from submitting a Proposal.

The RFQQ Coordinator will respond to all questions in writing and post responses on the WSIB website at [www.sib.wa.gov](http://www.sib.wa.gov) for retrieval and review. Offerors are encouraged to check the website frequently for this posting. It is incumbent on an Offeror to obtain this information once posted to ensure their response is truly responsive.

### 5-3 Schedule of Procurement Activities

The following schedule of activities must be adhered to by all Offerors.

EVENT	DATE
PROCUREMENT INSTRUCTIONS (RFQQ) POSTED ON WSIB WEBSITE	ON OR ABOUT AUGUST 6, 2018
LETTER OF INTENT TO RESPOND AND QUESTIONS ARE DUE	AUGUST 17, 2018 4:30 P.M. PST
RESPOND TO WRITTEN QUESTIONS (AVAILABLE ON WEB SITE)	AUGUST 24, 2018 4:30 P.M. PST
RESPONSES DUE	SEPTEMBER 7, 2018 4:30 P.M. PST
EVALUATION OF RESPONSES CONDUCTED	ON OR ABOUT SEPTEMBER 7-21, 2018
PHONE CALLS WITH FINALISTS (IF REQUIRED)	ON OR ABOUT OCTOBER 1-5, 2018
APPARENTLY SUCCESSFUL OFFEROR(S) APPROVED BY THE BOARD	NOVEMBER 25, 2018
ANNOUNCEMENT OF APPARENTLY SUCCESSFUL OFFEROR (SUBJECT TO SUCCESSFUL COMPLETION OF DUE DILIGENCE.)	NOVEMBER 25, 2018
CONTRACT NEGOTIATIONS	NOVEMBER 25, 2018-DECEMBER 31, 2018

## 5-4 Procurement Modification

The WSIB reserves the right to change the Schedule or modify any part of the procurement process by issuance of an addendum to all participating Offerors. The WSIB has sole discretion to cancel or reissue the procurement in whole or in part at any time and for any reason. In the event it becomes necessary to revise any part of the procurement, addenda will be posted on the WSIB website. Offerors are advised to check the site regularly prior to the due dates.

## 5-5 Procurement Instructions

### 5.5.1 Submitting Responses

Responses must be submitted electronically via email to the RFQQ Coordinator at [Contracts@sib.wa.gov](mailto:Contracts@sib.wa.gov) by September 7, 2018 at 4:30 p.m. Pacific. The Response should be clearly labeled with the firm's name and "RFQQ 18-01 Tangible Asset Investment Consultants." Please include the full version of the complete Response marked as "Master Copy" and submit your Response in an electronic format with bookmarks to sections, questionnaire responses, and appendices. Adobe portable document format (.pdf) is preferred, and Adobe portfolio format is disfavored.

Late responses, no matter what circumstances, will not be accepted, nor will time extensions be granted to individual offerors.

If your Response contains information you consider confidential and proprietary, please mark it such and include a second electronic version with your Response labelled "Copy for Reproduction" with the confidential portions redacted or omitted. Delete only sections of "confidential" information, not the entire page unless the entire page can be defended as confidential. This electronic version will be used as the basis of a response to any Public Records Requests made for a copy of your Response. Where sections of confidential information have been deleted in this electronic version, insert this parenthetical text: "(CONFIDENTIAL INFORMATION REMOVED)" in at least 24 point type and bold. Please secure this electronic version of the "Copy for Reproduction" in a manner that will still allow the WSIB to copy the protected electronic file onto its servers, but will not allow editing of the information, nor allow access to redacted materials or information. In addition to the "copy for reproduction," please identify those portions that are claimed as confidential in a response transmittal letter pursuant to sections 5-6. Those Responses not marked "Confidential" are subject to full disclosure under the state Public Records laws, as will any Responses marked "Confidential" in their entirety.

WSIB reserves the right to retain all responses and accompanying documentation submitted and to use any ideas contained in responses regardless of whether that response is selected. Responses retained become the property of WSIB and will not be returned. Submission of a response constitutes acceptance of all conditions contained in this RFQQ, unless clearly and specifically noted in the response submitted and confirmed and expressly accepted in the subsequent contract between the firm and WSIB.

### 5.5.2 Information and Format Requirements

***All of the conditions set forth in this section must be included, and addressed thoroughly and completely by the Offeror in order for the WSIB to accept a bid response to this RFQQ.***

When responding to this RFP, we encourage you to describe the ways in which you believe your organization's service is unique or would add particular value. Please be succinct in your answers and, if certain services cannot be provided, please state where appropriate. Responses must include

answers to all questions, comply with all requests for information to permit evaluation, and must include bookmarks and section titles separating the following parts:

### **SECTION 1: General Information** (Exhibit “E” attached hereto)

Complete and include the General Information and Contact Sheet attached as Exhibit “E”, by providing the following information.

1. Name, mailing address, phone number, and fax number of the persons or legal entity with whom the contract is to be written.
2. Name, mailing address, phone number, fax number, and e-mail address of primary contact.
3. Name, mailing address and phone number(s) of principal officer(s).
4. Legal status of organization (*e.g.*, sole proprietorship, partnership, corporation, etc.).
5. Federal employer identification number.
6. Washington State Department of Revenue Registration Number (UBI number) if applicable.
7. The location(s) of the facilities from which the Offeror will provide services under any Contract.

### **SECTION 2: Questionnaire**

Offerors should complete and include the Questionnaire attached as part of Exhibit C with all appendices, including public pension fund references. The RFP and exhibits are available at the WSIB website, [www.sib.wa.gov](http://www.sib.wa.gov), and should be downloaded for preparation of your response. Offerors are encouraged, but not required, to use the forms provided as exhibits to the RFP. Please note that additional sheets may be necessary to adequately respond to the Questionnaire, Exhibit C. In those instances when the form provided is not used for your Response, type and number each question. If other exhibit forms attached are not used for responding, it is nevertheless mandatory that the same format be retained when drafting your proposed approach to accomplishing the services to be provided in the Scope of Work, 2-1, and Services to be Provided, 2-2, in this RFQQ.

### **SECTION 3: Fee Proposal**

The hourly rate you propose must include the information set forth in Exhibit “C,” attached hereto. The services detailed in the “Scope of Services to be Performed” section and the Questionnaire of this RFQQ should be the basis for your proposed hourly rate. Upon execution of a Project Work Order, the cost for work performed will be based upon the number of hours proposed at the fixed hourly rate. In no case will the hourly rate for a project be higher than the rate contained in the Contract. Each time a service is requested through a Project Work Request, the Successful Offeror will propose the amount of hours needed to complete the project. The number of hours will be multiplied by the fee per hour to determine the total cost of the project.

Compensation or fees submitted for the proposed Contract will be guaranteed for a period of not less than five (5) years from the effective date of the Contract.

The fees proposed must include attendance costs and the cost of lodging, meals and refreshments provided at any client conferences offered by the contractor and attended by WSIB staff or Board members.

The fees proposed must be all-inclusive and must cover all charges including but not limited to salary, benefits, indirect costs, travel and supplies

**SECTION 4: Minimum Qualifications Compliance Certificate (Exhibit B attached hereto).**

Utilizing the format of Exhibit B with supplemental pages as needed, please set forth a full explanation of how each mandatory minimum qualification is met by your firm. A conclusory assertion that a mandatory qualification is met is not sufficient.

**SECTION 5: Offeror Warranties**

The Certifications and Assurances form, Exhibit D, must be signed by the president or chief executive officer of a corporation, the managing partner of a partnership, the proprietor of a sole proprietorship, or all members of a joint venture, and included in the Offeror's bid.

**SECTION 6: Supplemental Information**

Each Offeror may present any supplemental information which the Offeror deems appropriate, as long as each copy of the RFP Response contains such supplemental information. The Offeror may also provide supporting documentation, as necessary, for evaluators to determine relevance and value.

**SECTION 7: Proof of Insurance**

Once selected for a contract, an Apparently Successful Offeror must, at its own expense, obtain insurance coverage which must be maintained in full force and effect during the term of the Contract. The Apparently Successful Offeror must furnish evidence in the form of a Certificate of Insurance, and a copy will be forwarded to the Agency within fifteen (15) days of the notification as the Apparently Successful Offeror for the following applicable insurance:

- Commercial general liability insurance
- Professional liability insurance
- Fidelity bond
- Director's and Officer's liability insurance.

A Contract with an Apparently Successful Offeror will not be executed until insurance coverage as set forth in the Optional-Use Contract, Exhibit E has been verified.

**5-6 Proprietary Information**

All material submitted in response to this RFQQ is the property of the WSIB. Such material is subject to public disclosure requests pursuant to Washington's Public Records Act, found in Chapter 42.56 RCW, as well as pursuant to rules promulgated by the WSIB, in Chapter 287-02 Washington Administrative Code (WAC) and cases decided by Washington courts. The WSIB's public records policy may be viewed at: [http://www.sib.wa.gov/information/pdfs/policies/2\\_00\\_250.pdf](http://www.sib.wa.gov/information/pdfs/policies/2_00_250.pdf) The Revised

Code of Washington (RCW) and the Washington Administrative Code (WAC) may both be found at <http://www.leg.wa.gov/LawsAndAgencyRules/Pages/default.aspx>.

All submissions will be treated as confidential and exempt from public disclosure until the successful Offeror(s) resulting from this RFQQ, if any, is announced by the WSIB. Thereafter, submissions are subject to public disclosure, unless material has been properly designated as confidential and such material is exempt from public disclosure under Washington laws.

The materials submitted by the Apparently Successful Offeror will be attached to the resulting Optional-Use Contract and incorporated therein by that attachment. In general, unless particular material has been properly designated as confidential and exempt from public disclosure under Washington laws, such materials will be deemed public records and subject to public disclosure requests.

In the event that an Offeror desires to claim portions of their response as exempt from disclosure under the provisions of Washington's laws, as noted above, it is incumbent upon that Offeror to clearly identify those portions which are claimed as confidential in a response transmittal letter. The transmittal letter must identify the page and particular exemption(s) from disclosure upon which it is making its claim. ***Designating the entire response as confidential or proprietary information is not acceptable and will not be honored and may subject the offeror's response to being rejected for not being responsive.***

WSIB will consider all requests for exemption from disclosure; however the WSIB will make a decision based upon RCW 42.56. and current WSIB Public Records policy. In so doing, WSIB will exercise good faith in responding to requests for public disclosure of public records, will not discriminate between persons requesting records, and will protect legitimate confidentiality interests.

If any of the specifically requested information is marked as "confidential" in the response but in the opinion of the WSIB does not conform to any one of the enumerated exemptions from disclosure in RCW 42.56., such information will not be made available until five (5) business days after the affected Offeror has been notified that the information has been requested, to permit the Offeror an opportunity to contest the public disclosure request.

Should a successful Offeror obtain a court order from a Washington State court of competent jurisdiction prohibiting disclosure of parts of its response prior to the execution of the contract incorporating the same, the WSIB will comply with the court order. The burden is upon a successful Offeror to evaluate and anticipate its need to maintain confidentiality and to proceed accordingly.

If the affected Offeror has undertaken proceedings within the timeframe to obtain a court order seeking to restrain the WSIB from disclosure of the "confidential" information within those five (5) days, the WSIB will not disclose such information until resolution of the court proceeding. Upon failure to make application for judicial relief within the allowed period, the information will be disclosed.

It should be noted; however, that time is of the essence in this solicitation process. Although the WSIB will work in good faith to accommodate legal proceedings concerning confidential information, a delay in execution of a contract with respect to other offerors in order to accommodate a petition to the courts might not be possible or might not be granted.

## 5-7 Records Retention

After the date of the announcement of the Apparently Successful Offerors, the WSIB will retain all products of information received under this procurement in accordance with state record retention laws.

## 5-8 Preparation and Travel Costs

Expenses for the development and submission of required information are the sole responsibility of the Offeror(s). The WSIB will not be liable for any costs associated with preparation and submission of information submitted in response to this RFQQ.

The Offeror assumes responsibility for their personnel's travel and associated costs as they relate to this procurement. These costs must be considered in the cost of the fees that will be proposed.

## 5-9 Response Evaluation

### 5.9.1 Evaluation Process

Written submittals, subsequently requested materials and if necessary, oral presentations will be utilized in selecting the winning response(s). Responses will be reviewed by evaluators who are representatives of the WSIB. After review of the responses, the evaluators may select a group of Offerors for either telephonic interviews or face-to-face interviews.

**The WSIB reserves the right, at its sole discretion, to reject, without penalty, any and all responses received. The final selection, if any, will be the response(s), which in the opinion of the WSIB, best meet the requirements set forth in the RFQQ and are in the best interest of the WSIB, its beneficiaries, and the state of Washington.**

The selection will be accomplished through the following process:

- A. Initially, the WSIB will review each RFQQ for compliance with minimum, mandatory requirements as stipulated within the RFQQ. Noncompliant responses will be rejected from further consideration. The WSIB will make the final determination on all response rejections.
- B. The WSIB will evaluate the acceptable Responses against the items shown in the "Evaluation Criteria" section.
- C. Through the written response evaluation process, the evaluators will identify a group of Offerors for possible presentation to the Board's Private Markets Committee. If the Private Market's Committee approves, the Committee will recommend final Offerors to the Board for approval.

**Through the selection process, WSIB reserves the right: (i) not to select any proposal; (ii) to select any portions of a particular proposal for further consideration; (iii) to accept a proposal other than the lowest cost proposal submitted; or (iv) to reject any and all proposals received if such action is considered by WSIB in its sole discretion to be in the best interests of WSIB.**

### 5.9.2 Evaluation Criteria

The following criteria and relative values will be used by the evaluators to score each written responses for the selection of Offerors:

<i>Criteria</i>	<i>Percentage</i>
Organization	25%
Experience and Expertise	25%
Quality and Innovativeness of Advice	25%
Quality of Research	20%
Fees	5%
<b>TOTAL</b>	<b>100%</b>

### ***Oral Interviews***

The WSIB may choose to conduct oral interviews for final selection of Pool Contractors. Interviews may be conducted in-person or by telephone at WSIB’s discretion. The oral presentations in the finalist interview stage will be evaluated to develop a consensus decision of the apparently successful Offerors to be recommended for Committee and Board action.

In both instances the evaluation will be based on the technical criteria specified in this RFQQ (*i.e.*, organization, experience and expertise, quality and innovativeness of advice, quality of research, and fees), plus these additional factors:

1. The cohesiveness of the oral presentation.
2. Consistency between the oral interviews and the firm’s written bid.
3. Reference checks, focusing on past performance and the firm’s ability to:
  - a. Perform quality investment management services;
  - b. Work well with the Board and staff;
  - c. Respond to special requests; and,
  - d. The firm’s responsiveness during the interview process.

### **5-10 Addenda to the RFQQ**

In the event that it becomes necessary to revise any part of this RFQQ, an *addendum* or *erratum* in numerical sequence will be provided to all Offerors who have indicated an intention to submit a response.

### **5-11 Submission Limit**

After submission, Offerors will not be allowed to amend the information submitted unless specifically asked to by WSIB staff.

## **SECTION 6: WSIB RIGHTS**

### **6-1 Information Clarifications/Rejections**

Determination of clarity and completeness in the responses to any of the provisions in this RFQQ will be made solely by the WSIB. The WSIB reserves the right to require clarification, additional information, and materials in any form relative to any or all of the provisions or conditions of this RFQQ.

The WSIB reserves the right to reject any or all responses at any time prior to the execution of a contract acceptable to the WSIB, without any penalty to the WSIB.

### **6-2 Contract Award**

The WSIB intends to award a contract to the Offeror(s) with the best combination of attributes based on the evaluation criteria listed in the "Bid Evaluation Criteria" Section 5-9.2 of this RFQQ.

The WSIB reserves the right to make an award without further discussion of the response submitted. Therefore, the response should be submitted initially on the most favorable terms which the Offeror can propose. There will be no best and final offer procedure. The WSIB reserves the right to contact an Offeror for clarification of its Response.

The Offeror should be prepared to accept this RFQQ for incorporation into a contract resulting from this RFQQ. Contract negotiations may incorporate some or all of the Offeror's response. It is understood that the response will become a part of the official procurement file on this matter without obligation to the WSIB.

Should the WSIB fail to negotiate a contract with an Apparently Successful Offeror the WSIB reserves the right to negotiate and contract with, in the view of the WSIB, the next most qualified Offeror.

### **6-3 Publicity**

No informational pamphlets, notices, press releases, research reports, and/or similar public notices concerning this project may be released by the apparently successful Offerors without obtaining prior written approval from the WSIB.

### **6-4 Equal Opportunity Assurances**

Offerors required by state or federal law to have affirmative action plans must be prepared to provide to the WSIB, upon request, copies of their current affirmative action plan, and the most recent evaluation of that plan, if any.

### **6-5 Waivers**

The WSIB reserves the right to waive specific terms and conditions contained in this RFQQ.

It must be understood by Offerors that the information provided is predicated upon acceptance of all terms and conditions contained in this RFQQ unless the Offeror has obtained such a waiver, in writing, from the WSIB prior to submission of any requested information. Any waiver, if granted, will be granted to all Offerors.

## SECTION 7: MISCELLANEOUS TERMS AND CONDITIONS

### 7-1 Successful Offeror Notification

On or about the date specified in Section 5.3, "Schedule of Procurement Activities," of this RFQQ, a letter indicating whether the Offeror was selected as an "Apparently Successful Offeror" will be mailed to each Offeror who submitted a response in accordance with the procedures specified in this RFQQ.

### 7-2 Right to Protest, Determination of Timeliness, and Protest Procedures

Any actual Offeror who is aggrieved in connection with the procurement or award of a contract may protest, in writing, to the Legal Department of the WSIB. Only protests identifying an issue of fact concerning a matter of bias, discrimination or conflict of interest, errors in tabulation, or non-compliance with procedures described in the procurement document or agency policy will be considered.

Offerors protesting this procurement solicitation or award must follow the procedures described herein. Protests that do not follow these procedures will not be considered. This protest procedure constitutes the sole administrative remedy available to Offerors under this procurement.

Upon exhaustion of this remedy, no additional recourse is available within the WSIB. Chapter 34.05 RCW, Administrative Procedures Act (APA), does not apply to this procurement.

All protests must be in writing and signed by the protesting party or an authorized agent. The protest must state all facts and arguments on which the protesting party is relying. All protests will be addressed to the Washington State Investment Board's Legal Department and the RFQQ Coordinator.

#### **A. Contents of Protest**

To expedite handling of protests, the envelope should be labeled "Protest." The written protest must include, at a minimum, the following:

1. the name and address of the protester;
2. the appropriate identification of the procurement, including contract number if a contract has been awarded;
3. a statement of reason(s) for the protest;
4. any supporting exhibits, evidence, or documents to substantiate any claims unless not available within the filing time, in which case a descriptive title of the document and its expected availability date will be indicated.

If a protest may affect the interest of any Offeror(s), such Offeror(s) will be given an opportunity to submit its view and any relevant information on the protest to the WSIB Legal Department and RFQQ Coordinator.

## ***B. Types of Protest***

1. Protests of the RFQQ documents or processes must be received by the WSIB's Legal Department no later than 3:00 p.m., Pacific Time five (5) business days prior to the date responses are due. Filing of a protest of the RFQQ does not entitle the protesting party to an extension of time for submitting its Response.
2. If the protest is for rejection of an Offerors' submitted Response, the protest must be received by the WSIB's Legal Department no later than 3:00 p.m. Pacific Time on the five (5) business days after the Offeror receives notice of rejection, whether oral or written, or the announcement of the Apparently Successful Offeror(s), whichever occurs first. Only those who are eligible to submit a response under the criteria established for the particular procurement involved may protest the rejection of a submitted information.
3. If the protest is regarding the award of a contract under this procurement, the protest must be received by the WSIB's Legal Department no later than 3:00 p.m. Pacific Time on the fifth business day following the date of the notification of Apparently Successful Offeror letter, outlined in Section 7.2 of this RFQQ. Only those who have submitted a valid bid under the criteria established for this particular procurement may protest the award of a contract.

Upon receipt of a protest, a protest review will be held by the Chief Operating Officer to review the RFQQ process. This is not a review of Responses submitted. The review is to ensure agency policy and procedures were followed, all requirements were met, and all Offerors were treated equally and fairly.

The Chief Operating Officer will consider the record and all facts available and issue a decision within five (5) business days of receipt of the protest unless additional time is required, in which case the protesting party will be notified by the Chief Operating Officer or the RFQQ Coordinator of the delay. The decision of the Chief Operating Officer will be final and conclusive.

### **7-3 Debriefing of Unsuccessful Offerors**

Unsuccessful Offerors will be afforded a debriefing conference upon request. The request for a debriefing conference must be received by the RFQQ Coordinator within three (3) business days after mailing by WSIB of a notification to the unsuccessful Offerors. Discussion will be limited to a critique of the requesting Offeror's response. Comparisons between responses or evaluations of the other Offeror's responses will not be allowed. Debriefing conferences may be conducted in person or telephone/video conference and will be scheduled for a maximum of one hour. The debriefing conference must be held within fourteen (14) days after mailing by WSIB of notification to the unsuccessful Offerors.

### **7-4 Stay of Contract Execution during Protests**

In the event of a timely protest, the WSIB may proceed further with the procurement but will not execute the contract unless the protest is decided or until the Executive Director or a designee makes a written determination that the award of the contract without delay is necessary to protect substantial interests of the WSIB.

## 7-5 Entitlement to Costs

In addition to any other relief, when a protest is sustained and the protesting Offeror should have been awarded a contract under the procurement but was not, then (except if the protesting Offeror is found to be substantially at fault) the protesting Offeror will be entitled to its reasonable submission preparation costs, but not attorneys' fees or anticipated profits.

## 7-6 Minority & Women-Owned Business Participation

In accordance with the legislative findings and policies set forth in chapter 39.19 RCW, the state of Washington encourages participation in all of its contracts by firms certified by the Office of Minority and Women's Business Enterprises (OMWBE). Participation may be either on a direct basis in response to this solicitation or on a subcontractor basis. However, no preference will be included in the evaluation of proposals, no minimum level of OMWBE participation will be required as a condition for receiving an award and proposals will not be rejected or considered non-responsive on that basis. Any affirmative action requirements set forth in federal regulations or statutes included or referenced in the contract documents will apply.

## 7-7 General Contract Terms and Conditions

A contract may result between WSIB and the successful Offeror from this procurement process. Exhibit "F" of this RFQQ contains the special and general terms and conditions that will be agreed to.

***The submission of a response constitutes acceptance by the Offeror of the special and general terms and conditions.***

***The WSIB's intent is to have the sample contract accepted as presented without material changes. It is strongly recommended that your firm's legal counsel should review the attached contract. If your firm is unwilling or unable to accept the terms of the contract set forth, you must identify your concerns in a cover letter that is to accompany your Certifications and Assurances, and is encouraged to provide a redlined revised contract. However, WSIB reserves the right at its sole discretion to approve or disapprove any changes to the contract, and changes to the special and general terms and conditions may result in either.***