

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

**REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES
TO PROVIDE INVESTMENT MANAGEMENT SERVICES
ISSUED BY OFFICE OF THE STATE TREASURER
CONTRACT NUMBER **TREAS15-200-INVESTMR****

I. Overview

The Delaware Office of the State Treasurer (“Treasury”) seeks professional services for multi-asset class investment management of the State of Delaware Endowment (as defined below). This request for proposal (“RFP”) is issued pursuant to 29 *Del. C.* §§ [6981 and 6982](#).

The proposed schedule of events subject to this RFP is outlined below:

Public Notice / Issue of RFP	Date: February 16, 2015
Deadline for Questions	Date: March 2, 2015
Response to Questions Posted	Date: March 16, 2015
Deadline for Receipt of Proposals	Date: March 30, 2015 at 4:00 PM EST
Estimated Notification of Award	Date: May 15, 2015

NO MANDATORY PREBID MEETING: A mandatory pre-bid meeting has not been established for this Request for Proposal.

PROPOSAL TO REMAIN OPEN: Applicant must agree to keep any proposal to this RFP open until **July 31, 2015**.

MINIMUM PORTFOLIO REQUIREMENTS: The applicant’s proposed investment strategy portfolio for the Endowment must have continuous performance of at least 10 years with a minimum of \$1 billion in assets under management during the 10-year period; provided that any Delaware-based firm with a minimum of \$250 million in assets under management and a track record of at least 20 years of continuous performance may submit a proposal.

II. Scope of Services

The Delaware Department of Natural Resources and Environmental Control (“DNREC”) proposed and the Delaware General Assembly established the 21st Century Fund Parks Endowment and The Delaware Land and Water Conservation Trust Fund Grant Program to create and maintain parks and other recreational facilities across the state. With the passage and approval of Delaware General Assembly Senate Bill 75, assets from the 21st Century Parks Endowment and the Delaware Land and Water Conservation Trust Fund Grant Program (together, the “Endowment”) are to be invested in perpetuity subject to a withdrawal up to 5% of the value per year as directed by DNREC. The Endowment is to be invested in a manner consistent with guidelines approved by the Delaware Cash Management Policy Board.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Treasury requests proposals for discretionary investment management services for the Endowment. Currently, the Endowment consists of approximately \$60 million of fixed income securities (predominantly U.S. Treasuries and investment grade bonds). Treasury desires to transition the Endowment to a multi-asset class portfolio subject to the following parameters:

- Equities target of 60% within a range of 45% to 75%. International equities not to exceed 35% of equities allocation.
- Fixed Income, alternative investments, and cash target of 40% within a range of 25% to 55%.
- Cash in US dollars must be at least 5% of total assets at all times.

Treasury reserves the right to make a single or multiple source awards to manage the Endowment; provided that the estimated target mandate size for investment services is between \$20 million to \$60 million.

Treasury currently anticipates that the proposed funding under this RFP will be made with cash over a six (6) to twelve (12) month period following the award of the RFP. However, Treasury may require the applicant to transition the Endowment portfolio, work with a specific transition manager or authorize the applicant to select an independent transition manager, subject to Treasury approval. In such event, Treasury will supply the applicant with a listing of the assets to be transitioned.

Notwithstanding anything above, no commitment is made by Treasury as to the amount to be funded, the increments of partial funding or the time frame the funding will begin or be completed.

As of the date of this RFP, all custodian services for the Endowment are currently provided by BNY Mellon Corporation (the "Custodian"). Prospective investment managers will be required to reconcile accounts with the Custodian prior to submitting monthly reports to Treasury.

III. Response Format

A. Required Information.

Proposals should be prepared simply and economically in accordance with the specifications of this RFP. Applicants should submit ten (10) copies of the proposal in writing on standard letter-size paper and one (1) electronic PDF copy (preferably, searchable) and required Excel schedules, in each case to the RFP Designee Contact (as defined hereafter).

The following required information shall be provided in each proposal in the order and/or format listed below. Failure to respond to any request for information within this RFP may result in rejection of the applicant's proposal at the sole discretion of Treasury.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

1. Transmittal Letter. Provide a transmittal letter that contains general and supplemental information responsive to the Scope of Services set out above. This transmittal letter shall clearly set out any exceptions to this RFP.
2. Fiduciary. Applicant must be willing to accept fiduciary responsibility for the Endowment on behalf of your firm.
3. Rates of Return. Provide the returns on investment (GIPS compliant) for the past one, three, five and ten years (12-month periods ending December 31) for an existing portfolio most similar to that described in the Scope of Services above. The returns should be detailed in the table format provided as well as graphically by gross and net market performance on a monthly basis for the last ten years (see the Excel template which accompanies this RFP as part of the Questionnaire). In addition, please provide month-end asset allocation percentages as indicated in the spreadsheet.
4. Schedule of Fees. Provide a schedule of fees for the applicant's investment management services expressed as a percentage of assets under management. Applicants may also provide alternative fee structures (including, but not limited to, any fixed fee arrangements). Other expenses outside of investment management fees must be stated in detailed fashion (i.e., any fees incurred through the use of sub-advisors, mutual funds or exchange traded vehicles).
5. SEC Registration. Provide proof of applicant's registration, as an investment advisor with the Securities and Exchange Commission ("SEC") and provide the most recent ADV, Parts 1 and 2, or otherwise indicate that the applicant is exempt from registration. If exempt, the applicant must explain the nature of their exemption from registration.
6. Financial Statements. Provide the last three years of audited financial statements.
7. Delaware Licensure: Prior to the award, the successful applicant must provide proof State of Delaware business licensure, or indicate willingness to obtain license upon award of contract.
8. Insurance: Provide evidence of current professional liability insurance coverage of at least \$1,000,000.00.
9. Sample of Proposed Contract: Provide a sample of proposed Investment Manager Agreement with applicable schedules.
10. Sample(s) of Month-End Client Reports: Provide samples of current reporting forms used in connection with portfolios comparable to the proposed Endowment.
11. Questionnaire responses. Provide answers to the questionnaire set out in the following Section III.B. of this RFP.
12. Attachments. Complete the following forms set out in the attachments hereto:
 - a) Attachment 1 – No Proposal Reply Form (if applicable)
 - b) Attachment 2 – Non-Collusion Statement
 - c) Attachment 3 – Exceptions (if applicable)
 - d) Attachment 4 – Confidentiality and Proprietary Information
 - e) Attachment 5 – Business References
 - f) Attachment 6 – Employing Delawareans Report

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

g) Attachment 7 – Office of Supplier Diversity Application (if applicable)

13. Other. Provide any supplemental material the applicant deems important for consideration in this RFP.

B. Questionnaire

Firm and Team Qualifications

1. History/Values. Describe in detail the history of your firm, including your founding values and core principles.
2. Ownership. Describe your firm's current ownership structure. Include any pending agreements or announced plans to merge, sell or significantly change the ownership structure of the firm or any material portion thereof. Describe any material changes in ownership during the past five years.
3. Organization. Provide an organizational chart for your firm. Clearly identify the total number of employees in each of the major categories, such as portfolio management, research, portfolio administration, marketing/client service, etc.
4. Growth Plan. Describe your firm's growth plans over the next 3-5 years, including proposed:
 - a) AUM growth
 - b) Earnings growth
 - c) New product introductions
 - d) Expansion of investment team
5. Investment Team. Describe in detail the composition and investment experience of those individuals who would be assigned to the management of the Endowment portfolio. For each individual, include a complete resume with both work and academic experience. Highlight an individual's experience with accounts managed on behalf of public sector clients as well as the total accounts and nature of same historically and currently managed by such individual. What level of access will the Treasury have with respect to each of the persons identified?
6. Litigation. Describe any SEC or other material litigation, action or sanctions against your firm, its subsidiaries, or contracted third party processors this is presently pending or that was resolved (favorably or unfavorably) in the prior five years.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

7. Assets & Accounts. Provide the following information as it relates to your firm's total investment management business. Comment on any large losses or gains.

Year	Assets Gained	Assets Lost	Assets at End of Period	Accounts Gained	Accounts Lost	Accounts at End of Period
2015 YTD						
2014						
2013						
2012						
2011						
2010						

8. Client Base. Provide the following information as it relates to your firm's total investment management business as of December 31, 2014:

Client Type	Number of Accounts	Assets
Corporate		
Public		
Taft-Hartley		
Endowment/Foundation		
Individuals		
Family Offices		
Mutual Funds		
Other		
Total Firm		

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

9. Strategies. List the official name of all of your firm's strategies and identify those applicable to the services being procured in response to this RFP. Identify and explain the closure or termination of any strategies in the past 10 years.
10. Physical Office. Provide the address of the physical location from which the Endowment's portfolio will be managed.

Process and Performance

11. Construction. Describe your proposed process and procedures for portfolio construction for the Endowment. Specify any circumstances under which your firm would deviate from such portfolio construction process.
12. Return/Risk. What is the targeted risk / return profile of the proposed Endowment portfolio? How is portfolio risk measured, monitored and controlled?
13. Benchmarks. Provide the benchmark(s) typically used to measure relative performance of the proposed Endowment portfolio.
14. Excess Returns. What unique attributes or competitive advantage does your firm or your proposed portfolio have that distinguishes it from its competitors in the fulfillment of this RFP?
15. Value Creation. Within your investment process, roughly what portion of the "value added" comes from each of the following decisions?
 - a. _____% Asset Allocation (equity/fixed income/cash)
 - b. _____% Security Selection
 - c. _____% Other: _____(Describe)
16. Performance Parameters. Describe the investment environments in which your firm's strategy can be expected to outperform and underperform.
17. Approach. Would you describe your security selection process as a top-down or bottom-up approach? Quantitative or qualitative?
18. Execution. Who on your investment team is responsible for asset allocation? Security selection? How are such decisions made?
19. Capacity. Describe any capacity constraints that may limit your firm's ability to successfully manage the Endowment portfolio. Have you identified an asset level at which you will cap investment?
20. Overall Management. Describe any other qualifications that make your institution the best candidate to manage the Endowment portfolio.

Technology, Accounting & Reporting

21. Structure. What is the proposed investment structure for the Endowment portfolio (i.e., separate account, commingled trust, limited partnership)?

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

22. Redemptions. What are the proposed redemption and liquidity provisions for the Endowment portfolio, if any (i.e., daily, monthly, quarterly, annually, only at termination of fund, lock-up period, gates)? Describe the alignment between liquidity offered to your investors and liquidity of underlying investments.
23. Pricing. With regard to your firm's pricing procedures, what is the pricing frequency and level of pricing independence? How does your firm price private placements or other potentially illiquid securities that pose pricing difficulties?
24. Reporting. What steps are taken to ensure the accuracy of your portfolio reports? Are reports audited before they are mailed to clients? If so, by whom? How soon can such information be made available at month, quarter and year end?
25. Electronic Access. Do you provide online access for retrieving daily, month-end, and quarterly reports as well as daily portfolio holdings?
26. Guideline Compliance. How does your firm ensure compliance with its clients' investment guidelines?
27. Custody. Currently, the Treasury uses BNY Mellon Corporation as custodian for all investment accounts. Does your firm have experience working with BNY Mellon Corporation as custodian? Do you foresee any issues regarding this relationship or the reporting requirements that may be imposed by the custodian?
28. Client Correspondence. Do you communicate with clients through general newsletters, monthly performance letters or other generic media? If yes, please provide examples of such correspondence for the past 12 months.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

IV. Professional Services RFP Administrative Information

A. RFP Issuance

1. Public Notice

Public notice has been provided in accordance with 29 *Del. C.* [§6981](#).

2. Obtaining Copies of the RFP

This RFP is available in electronic form through the State of Delaware Procurement website at www.bids.delaware.gov and the Delaware Treasury website at <http://treasurer.delaware.gov/rfps.shtml>. Paper copies of this RFP will not be available.

3. Assistance to Applicants with a Disability

Applicants with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the RFP Designated Contact no later than ten days prior to the deadline for receipt of proposals.

4. RFP Designated Contact

All requests, questions, or other communications about this RFP shall be made in writing to the person listed below. Communications made to other State of Delaware personnel or attempting to ask the RFP Contact questions by phone or in person will not be allowed or recognized as valid and may disqualify the applicant. Applicants should rely only on written statements issued by the RFP Designated Contact.

Jeffrey L Hoover
Investment Manager
Office of the State Treasurer
820 Silver Lake Boulevard, Suite 100
Dover, Delaware 19904
jeffrey.hoover@state.de.us
with cc to
list.DelawareTreasury@credit-suisse.com

To ensure that written requests are received and answered in a timely manner, electronic mail (e-mail) correspondence is acceptable, but other forms of delivery, such as postal and courier services can also be used.

5. Consultants and Legal Counsel

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the applicants' responses. Applicants shall not contact the State's consultant or legal counsel on any matter related to the RFP.

6. Contact with State Employees

Direct contact with State of Delaware employees other than the RFP Designated Contact regarding this RFP is expressly prohibited without prior consent. Applicants directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

7. Organizations Ineligible to Bid

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended are ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to bid.

8. Exclusions

The State of Delaware reserves the right to refuse to consider any proposal from an applicant who:

- a. Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;
- b. Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;
- c. Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;
- d. Has violated contract provisions such as:
 - 1) Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - 2) Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
- e. Has violated ethical standards set out in law or regulation; or
- f. Has engaged in any other cause or activity listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

B. RFP Submissions

1. Acknowledgement of Understanding of Terms

By submitting a proposal, each applicant shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

2. Proposals

To be considered, all proposals must be submitted in writing and respond to the items outlined in this RFP. The State reserves the right to reject any non-responsive or non-conforming proposals. Each proposal must be submitted with ten (10) paper copies and 1 electronic copy on CD or DVD media disk, or USB memory drive.

All properly sealed and marked proposals are to be sent to the State of Delaware and received no later than **4:00 PM (EDT) on March 30, 2015**. Proposals may be delivered by Express Delivery (e.g., FedEx, UPS, etc.), US Mail (certified or registered), or by hand to:

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Jeffrey L. Hoover
Investment Manager
Office of the State Treasurer
820 Silver Lake Boulevard, Suite 100
Dover, Delaware 19904
jeffrey.hoover@state.de.us

Applicants are directed to clearly print “BID ENCLOSED” and “CONTRACT NO. TREAS15-200-INVESTMR” on the outside of the bid submission package.

To guard against premature opening, sealed proposals shall be submitted, plainly marked with the proposal title, applicant name, and time and date of the proposal opening. To document compliance with the deadline, the proposal will be date and time stamped upon receipt

Upon receipt of applicant’s proposal, applicant shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve applicants from any obligation in respect to this RFP.

3. Proposal Modifications

Any changes, amendments or modifications to a proposal must be made in writing, submitted in the same manner as the original response and conspicuously labeled as a change, amendment or modification to a previously submitted proposal. Changes, amendments or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals.

4. Proposal Costs and Expenses

The State of Delaware will not pay any costs incurred by any applicant associated with any aspect of responding to this RFP, including proposal preparation, printing or delivery, attendance at applicant’s conference, system demonstrations or negotiation process.

5. Proposal Expiration Date

Prices and services quoted in the proposal shall remain fixed and binding on the applicant at least through **July 31, 2015**. The State of Delaware reserves the right to ask for an extension of time if needed.

6. Late Proposals

Proposals received after the specified date and time will not be accepted or considered. Any proposal received after the date and hour specified as the deadline for submission shall not be considered and shall be returned unopened. The applicant bears the risk of delays in delivery. .

7. Proposal Opening

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to the submitting applicant.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

There will be no public opening of proposals but a public log will be kept of the names of all applicants that submitted a proposal.

The contents of any proposal shall not be disclosed in accordance with [Executive Order # 31](#) and Title 29, Delaware Code, [Chapter 100](#).

8. Non-Conforming Proposals

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely with the State of Delaware.

9. Concise Proposals

The State of Delaware discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.

10. Realistic Proposals

It is the expectation of the State of Delaware that applicants can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The State of Delaware shall bear no responsibility or increased obligation for an applicant's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

11. Confidentiality of Documents

Subject to applicable law or the order of a court of competent jurisdiction to the contrary, all documents submitted as part of the applicant's proposal will be treated as confidential during the evaluation process. As such, applicant proposals will not be available for review by anyone other than the State of Delaware or its designated agents. There shall be no disclosure of any applicant's information to a competing applicant prior to award of the contract unless such disclosure is required by law or by order of a court of competent jurisdiction.

The State of Delaware and its constituent agencies are required to comply with the State of Delaware Freedom of Information Act, [29 Del. C. § 10001, et seq.](#) ("FOIA"). FOIA requires that the State of Delaware's records are public records (unless otherwise declared by FOIA or other law to be exempt from disclosure) and are subject to inspection and copying by any person upon a written request. Once a proposal is received by the State of Delaware and a decision on contract award is made, the content of selected and non-selected proposals will likely become subject to FOIA's public disclosure obligations.

The State of Delaware wishes to create a business-friendly environment and procurement process. As such, the State respects the applicant's desire to protect its intellectual property, trade secrets, and confidential business information

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

(collectively referred to herein as “confidential business information”). Proposals must contain sufficient information to be evaluated. If an applicant feels that they cannot submit their proposal without including confidential business information, they must adhere to the following procedure or their proposal may be deemed unresponsive, may not be recommended for selection, and any applicable protection for the applicant’s confidential business information may be lost.

In order to allow the State of Delaware to assess its ability to protect an applicant’s confidential business information, applicants will be permitted to designate appropriate portions of their proposal as confidential business information.

Applicants may submit portions of a proposal considered to be confidential business information in a separate, sealed envelope labeled “Confidential Business Information” and include the specific RFP number (TREAS15-200-INVESTMR). The envelope must contain a letter from the applicant’s legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not “public record” as defined by 29 *Del. C.* § 10002, and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State of Delaware will open the envelope to determine whether the procedure described above has been followed. An applicant’s allegation as to its confidential business information shall not be binding on the State of Delaware. The State of Delaware shall independently determine the validity of any applicant designation as set forth in this section. Any applicant submitting a proposal or using the procedures discussed herein expressly accepts the State’s absolute right and duty to independently assess the legal and factual validity of any information designated as confidential business information. Accordingly, applicants assume the risk that confidential business information included within a proposal may enter the public domain.

12. Multi-Applicant Solutions (Joint Ventures)

Multi-applicant solutions (joint ventures) will be allowed only if one of the venture partners is designated as the “prime contractor”. The “prime contractor” must be the joint venture’s contact point for the State of Delaware and be responsible for the joint venture’s performance under the contract, including all project management, legal and financial responsibility for the implementation of all applicant systems. If a joint venture is proposed, a copy of the joint venture agreement clearly describing the responsibilities of the partners must be submitted with the proposal. Services specified in the proposal shall not be subcontracted without prior written approval by the State of Delaware, and approval of a request to subcontract shall not in any way relieve applicant of responsibility for the professional and technical accuracy and adequacy of the work. Further, applicant shall be and remain liable for all damages to the State of Delaware caused by negligent performance or non-performance of work by its subcontractor or its sub-subcontractor.

Multi-applicant proposals must be a consolidated response with all cost included in the cost summary. Where necessary, RFP response pages are to be duplicated for each applicant.

a. Primary Applicant

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

The State of Delaware expects to negotiate and contract with only one “prime applicant”. The State of Delaware will not accept any proposals that reflect an equal teaming arrangement or from applicants who are co-bidding on this RFP. The prime awarded applicant will be responsible for the management of all subcontractors.

Any contract that may result from this RFP shall specify that the prime applicant is solely responsible for fulfillment of any contract with the State of Delaware as a result of this procurement. The State of Delaware will make contract payments only to the awarded applicant. Payments to any-subcontractors are the sole responsibility of the prime applicant.

Nothing in this section shall prohibit the State of Delaware from the full exercise of its options under Section IV.B.16 regarding multiple source contracting.

b. Sub-contracting

The applicant selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, applicants assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. **The prime applicant shall be wholly responsible for the entire contract performance whether or not subcontractors are used.** Any sub-contractors must be approved by State of Delaware.

c. Multiple Proposals

A primary applicant may not participate in more than one proposal in any form. Sub-contracting applicants may participate in multiple joint venture proposals.

13. Sub-Contracting

The applicant selected shall be solely responsible for contractual performance and management of all subcontract relationships. A contract shall allow subcontracting assignments; however, applicants assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and subcontractors must be identified by name. Any sub-contractors must be approved by State of Delaware.

14. Discrepancies and Omissions

Applicant is fully responsible for the completeness and accuracy of their proposal, and for examining this RFP and all addenda. Failure to do so will be at the sole risk of applicant. Should applicant find discrepancies, omissions, unclear or ambiguous intent or meaning, or should any questions arise concerning this RFP, applicant shall notify the RFP’s Designated Contact, in writing, of such findings at least ten (10) days before the proposal opening. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of applicant’s proposal upon which award could not be made. All unresolved issues should be addressed in the proposal.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Protests based on any omission or error, or on the content of the RFP, will be disallowed if these faults have not been brought to the attention of the RFP Designated Contact, in writing, at least ten (10) calendar days prior to the time set for opening of the proposals.

15. RFP Question and Answer Process

The State of Delaware will allow written requests for clarification of the RFP. All questions will be consolidated into a single set of responses and posted on the State of Delaware Procurement website at www.bids.delaware.gov and the Delaware Treasury website at <http://treasurer.delaware.gov/rfps.shtml> by **March 16, 2015**. Applicant names will be removed from questions in the responses released. Questions should be submitted in the following format. Deviations from this format will not be accepted.

Section number

Paragraph number

Page number

Text of passage being questioned

Questions not submitted electronically shall be accompanied by a CD and questions shall be formatted in Microsoft Word.

16. State's Right to Reject Proposals

The State of Delaware reserves the right to accept or reject any or all proposals or any part of any proposal, to waive defects, technicalities or any specifications (whether they be in the State of Delaware's specifications or applicant's response), to sit and act as sole judge of the merit and qualifications of each proposal, or to solicit new proposals on the same project or on a modified project which may include portions of the originally proposed project as the State of Delaware may deem necessary in the best interest of the State of Delaware.

17. State's Right to Cancel RFP

The State of Delaware reserves the right to cancel this RFP at any time during the procurement process, for any reason or for no reason. The State of Delaware makes no commitments expressed or implied, that this process will result in a business transaction with any applicant.

This RFP does not constitute an offer by the State of Delaware. Applicant's participation in this process may result in the State of Delaware selecting your organization to engage in further discussions and negotiations toward execution of a contract. The commencement of such negotiations does not, however, signify a commitment by the State of Delaware to execute a contract nor to continue negotiations. The State of Delaware may terminate negotiations at any time and for any reason, or for no reason.

18. State's Right to Award Multiple Source Contracting

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Pursuant to 29 *Del. C.* [§ 6986](#), the State of Delaware may award a contract for a particular professional service to two or more applicants based on a determination that such an award is in the best interest of the State of Delaware.

19. Notification of Withdrawal of Proposal

Applicant may modify or withdraw its proposal by written request, provided that both proposal and request is received by the State of Delaware prior to the proposal due date. Proposals may be re-submitted subject to the proposal due date in order to be considered further.

Proposals become the property of the State of Delaware at the proposal submission deadline. All proposals received are considered firm offers at that time.

20. Revisions to the RFP

If it becomes necessary to revise any part of this RFP, an addendum will be posted on the State of Delaware Procurement website at www.bids.delaware.gov and the Delaware Treasury website at <http://treasurer.delaware.gov/rfps.shtml>. The State of Delaware is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

21. Exceptions to the RFP

Any exceptions to the RFP, or the State of Delaware's terms and conditions, must be recorded on Attachment 3. Acceptance of exceptions is within the sole discretion of the State of Delaware.

22. Award of Contract

The final award of a contract is subject to approval by the State of Delaware. The State of Delaware has the sole right to select the successful applicants for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP.

Notice in writing to an applicant of the acceptance of its proposal by the State of Delaware and the subsequent full execution of a written contract will constitute a contract, and no applicant will acquire any legal or equitable rights or privileges until the occurrence of both such events.

23. RFP Award Notifications

After reviews of the proposals, and once the contract terms and conditions have been finalized, the State of Delaware will award the contract.

The contract shall be awarded to the applicant whose proposal is most advantageous, taking into consideration the evaluation factors set forth in this RFP.

It should be explicitly noted that the State of Delaware is not obligated to award the contract to the applicant who submits the lowest bid or the applicant who receives the highest total point score, rather the contract will be awarded to the applicant whose proposal is the most advantageous to the State of Delaware. The award is subject to the appropriate State of Delaware approvals.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

After a final selection is made, the winning applicant will be invited to negotiate a contract with the State of Delaware; remaining applicants will be notified in writing of their selection status.

24. Cooperatives

Applicants, who have been awarded similar contracts through a competitive bidding process with a cooperative, are welcome to submit the cooperative pricing for this RFP.

C. RFP Evaluation Process

An evaluation team composed of representatives of the State of Delaware will evaluate proposals on a variety of criteria. Neither the lowest price nor highest scoring proposal will necessarily be selected.

The State of Delaware reserves full discretion to determine the competence and responsibility, professionally and/or financially, of applicants. Applicants are to provide in a timely manner any and all information that the State of Delaware may deem necessary to make a decision.

1. Proposal Evaluation Team

A proposal evaluation team shall be comprised of representatives of the State of Delaware. The team shall determine which applicants meet the minimum requirements pursuant to selection criteria of this RFP and procedures established in 29 *Del. C.* §§ [6981](#) and [6982](#). The team may negotiate with one or more applicants during the same period and may, at its discretion, terminate negotiations with any or all applicants.

2. Proposal Selection Criteria

The evaluation team shall assign up to the maximum number of points for each evaluation item to each of the proposing applicant's proposals. All assignments of points shall be at the sole discretion of the evaluation team.

This shall contain the essential information on which the award decision shall be made. The information required to be submitted in response to this RFP has been determined by the State of Delaware to be essential for use by the evaluation team in the bid evaluation and award process. Therefore, all instructions contained in this RFP shall be met in order to qualify as a responsive and responsible contractor and participate in the evaluation team's consideration for award. Proposals which do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the evaluation team. Respondents are encouraged to be economical in their preparation of printed materials. Standardized documentation (such as Form ADV files) should be submitted in electronic format only.

The evaluation team reserves the right to:

- Select for contract or for negotiations a proposal other than that with lowest costs.
- Reject any and all proposals or portions of proposals received in response to this RFP or to make no award or issue a new RFP.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

- Waive or modify any information, irregularity, or inconsistency in proposals received.
- Request modification to proposals from any or all applicants during the contract review and negotiation.
- Negotiate any aspect of the proposal with any applicant and negotiate with more than one applicant at the same time.
- Select more than one applicant pursuant to 29 *Del. C.* [§6986](#).

Criteria Weight

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the evaluation team to evaluate proposals:

Criteria	Weight
I. <u>Portfolio Performance</u> : Historical returns for a portfolio most closely resembling that portfolio proposed for the Endowment. Performance will be evaluated net of fees (i.e., fee structure and expenses will be considered in relation to performance) on a risk-adjusted basis.	50%
II. <u>Firm Qualifications</u> : Including firm age, history, reputation, strength of investment team, client base and overall “fit” for management of the Endowment.	35%
III. <u>Reporting, Accounting & Technology</u>	15%
Total	100%

Applicants are encouraged to review the evaluation criteria and to provide a response that addresses each of the scored items. Evaluators will not be able to make assumptions about an applicant’s capabilities so the responding applicant should be detailed in their proposal responses.

3. Proposal Clarification

The evaluation team may contact any applicant in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

4. References

The evaluation team may contact any customer of the applicant, whether or not included in the applicant’s reference list, and use such information in the evaluation process. Additionally, the evaluation team may choose to visit existing installations of comparable systems, which may or may not include applicant personnel. If the

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

applicant is involved in such site visits, the State of Delaware will pay travel costs only for State of Delaware personnel for these visits.

5. Oral Presentations

After initial scoring and a determination that applicants are qualified to perform the required services, selected applicants may be invited to make oral presentations to the evaluation team.

The applicants will have their presentations scored or ranked based on their ability to successfully meet the needs of the contract requirements, successfully demonstrate their product and/or service, and respond to questions about the solution capabilities.

The applicant representative(s) attending the oral presentation shall be technically qualified to respond to questions related to the proposed services. All of the applicant's costs associated with participation in oral discussions and presentations conducted for the State of Delaware are the applicant's responsibility.

D. Contract Terms and Conditions

1. Contract Use by Other Agencies

REF: Title 29, Chapter 6904(e) Delaware Code. If no state contract exists for a certain good or service, covered agencies may procure that certain good or service under another agency's contract so long as the arrangement is agreeable to all parties. Agencies, other than covered agencies, may also procure such goods or services under another agency's contract when the arrangement is agreeable to all parties.

2. Cooperative Use of Award

As a publicly competed contract awarded in compliance with 29 DE Code Chapter 69, this contract is available for use by other states and/or governmental entities through a participating addendum. Interested parties should contact the State Contract Procurement Officer identified in the contract for instruction.

3. General Information

- a.** The term of the contract between the successful bidder and the State shall be for three (3) years with two (2) optional extensions for a period of one (1) year for each extension.

The selected applicant will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP. Any proposed modifications to the terms and conditions of the standard contract are subject to review and approval by the State of Delaware. Applicants will be required to sign the contract for all services, and may be required to sign additional agreements.

- b.** The selected applicant or applicants will be expected to enter negotiations with the State of Delaware, which will result in a formal contract between parties. Procurement will be in accordance with subsequent contracted agreement. This RFP and the selected applicant's response to this RFP will be incorporated as part of any formal contract.

- c.** The successful applicant shall promptly execute a contract incorporating the terms of this RFP following award of the contract issued by the State of

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Delaware. No applicant is to begin any service prior to receipt of a State of Delaware purchase order signed by two authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office and the Department of Finance. The purchase order shall serve as the authorization to proceed in accordance with the bid specifications and the special instructions, once it is received by the successful applicant.

- d. If the applicant to whom the award is made fails to enter into the agreement as herein provided, the award will be annulled, and an award may be made to another applicant. Such applicant shall fulfill every stipulation embraced herein as if they were the party to whom the first award was made.

4. Collusion or Fraud

Any evidence of agreement or collusion among applicants and prospective applicants acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such applicants void.

By responding, the applicant shall be deemed to have represented and warranted that its proposal is not made in connection with any competing applicant submitting a separate response to this RFP, and is in all respects fair and without collusion or fraud; that the applicant did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the applicant's proposal preparation.

Advance knowledge of information which gives any particular applicant advantages over any other interested applicants, in advance of the opening of proposals, whether in response to advertising or an employee or representative thereof, will potentially void that particular proposal.

5. Lobbying and Gratuities

Lobbying or providing gratuities shall be strictly prohibited. Applicants found to be lobbying, providing gratuities to, or in any way attempting to influence a State of Delaware employee or agent of the State of Delaware concerning this RFP or the award of a contract resulting from this RFP shall have their proposal immediately rejected and shall be barred from further participation in this RFP.

The selected applicant will warrant that no person or selling agency has been employed or retained to solicit or secure a contract resulting from this RFP upon agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State of Delaware shall have the right to annul any contract resulting from this RFP without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

All contact with State of Delaware employees, contractors or agents of the State of Delaware concerning this RFP shall be conducted in strict accordance with the manner, forum and conditions set forth in this RFP.

6. Solicitation of State Employees

Until contract award, applicants shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State of Delaware's employ in order to accept

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

employment with the applicant, its affiliates, actual or prospective contractors, or any person acting in concert with applicant, without prior written approval of the State of Delaware's contracting officer. Solicitation of State of Delaware employees by a applicant may result in rejection of the applicant's proposal.

This paragraph does not prevent the employment by an applicant of a State of Delaware employee who has initiated contact with the applicant. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Applicants may not knowingly employ a person who cannot legally accept employment under state or federal law. If an applicant discovers that they have done so, they must terminate that employment immediately.

7. General Contract Terms

a. Independent Contractors

The parties to the contract shall be independent contractors to one another, and nothing herein shall be deemed to cause such agreement to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

It may be at the State of Delaware's discretion as to the location of work for any contractual support personnel during the project period. The State of Delaware may provide working space and sufficient supplies and material to augment the applicant's services.

b. Temporary Personnel are Not State Employees Unless and Until They are Hired

Applicant agrees that any individual or group of temporary staff person(s) provided to the State of Delaware pursuant to this RFP shall remain the employee(s) of applicant for all purposes including any required compliance with the Affordable Care Act by the applicant. Applicant agrees that it shall not allege, argue, or take any position that individual temporary staff person(s) provided to the State pursuant to this RFP must be provided any benefits, including any healthcare benefits by the State of Delaware and applicant agrees to assume the total and complete responsibility for the provision of any healthcare benefits required by the Affordable Care Act to aforesaid individual temporary staff person(s). In the event that the Internal Revenue Service, or any other third party governmental entity determines that the State of Delaware is a dual employer or the sole employer of any individual temporary staff person(s) provided to the State of Delaware pursuant to this RFP, applicant agrees to hold harmless, indemnify, and defend the State to the maximum extent of any liability to the State arising out of such determinations.

Notwithstanding the content of the preceding paragraph, should the State of Delaware subsequently directly hire any individual temporary staff employee(s)

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

provided pursuant to this RFP, the aforementioned obligations to hold harmless, indemnify, and defend the State of Delaware shall cease and terminate for the period following the date of hire. Nothing herein shall be deemed to terminate the applicant's obligation to hold harmless, indemnify, and defend the State of Delaware for any liability that arises out of compliance with the ACA prior to the date of hire by the State of Delaware. Applicant will waive any separation fee provided an employee works for both the applicant and hiring agency, continuously, for a three (3) month period and is provided thirty (30) days written notice of intent to hire from the agency. Notice can be issued at second month if it is the State's intention to hire.

c. Licenses and Permits

In performance of any awarded contract, the applicant will be required to comply with all applicable federal, state and local laws, ordinances, codes, and regulations. The cost of permits and other relevant costs required in the performance of the contract shall be borne by the successful applicant. The applicant shall be properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* § [2502](#).

Prior to receiving an award, the successful applicant shall either furnish the State of Delaware with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P.O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone to one of the following numbers: (302) 577-8200—Public Service, (302) 577-8205—Licensing Department.

Information regarding the award of the contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject applicant to applicable fines and/or interest penalties.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

d. Notice

Any notice to the State of Delaware required under the contract shall be sent by registered mail to:

Jeffrey L Hoover
Investment Manager
Office of the State Treasurer
820 Silver Lake Boulevard, Suite 100
Dover, Delaware 19904
jeffrey.hoover@state.de.us

e. Indemnification

1. General Indemnification

By submitting a proposal, the proposing applicant agrees that in the event it is awarded a contract, it will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the applicant's, its agents and employees' performance work or services in connection with the contract, regardless of whether such suits, actions, claims or liabilities are based upon acts or failures to act attributable, whole or part, to the State, its employees or agents.

2. Proprietary Rights Indemnification

Applicant shall warrant that all elements of its services or solutions, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the applicant in writing and applicant shall defend such claim, suit or action at applicant's expense, and applicant shall indemnify the State of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the applicant (collectively "Products") is or in applicant's reasonable judgment is likely to be, held to constitute an infringing product, applicant shall at its expense and option either:

- a.** Procure the right for the State of Delaware to continue using the Product(s);
- b.** Replace the Product(s) with a non-infringing equivalent that satisfies all the requirements of the contract; or
- c.** Modify the Product(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the Product(s) or cause the Product(s) or any part of the work to fail to conform to the requirements of the contract, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

f. Insurance

1. Applicant recognizes that it is operating as an independent contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the applicant's negligent performance under this contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the applicant in their negligent performance under this contract.
2. The applicant shall maintain such insurance as will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this contract. The applicant is an independent contractor and is not an employee of the State of Delaware.
3. During the term of any contract, the applicant shall, at its own expense, also carry insurance minimum limits as follows:

	Professional Liability	\$1,000,000 per occurrence
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4. The applicant shall provide a Certificate of Insurance (COI) as proof that the applicant has the required insurance. The COI shall be provided to agency contact prior to any work being completed by the awarded applicants.
5. The State of Delaware shall not be named as an additional insured.
6. Should any of the above described policies be cancelled before expiration date thereof, notice will be delivered in accordance with the policy provisions.

g. Performance Requirements

The selected applicant will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

h. Applicant Emergency Response Point of Contact

The awarded applicants shall provide the name(s), telephone, or cell phone number(s) of those individuals who can be contacted twenty four (24) hours a day, seven (7) days a week where there is a critical need for commodities or services when the Governor of the State of Delaware declares a state of emergency under the Delaware Emergency Operations Plan or in the event of a local emergency or disaster where a state governmental entity requires the services of the applicant. Failure to provide this information could render the proposal as non-responsive.

In the event of a serious emergency, pandemic or disaster outside the control of the State, the State may negotiate, as may be authorized by law, emergency performance from the contractor to address the immediate needs of the State, even if not contemplated under the original contract or procurement. Payments are subject to appropriation and other payment terms.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

i. Warranty

The applicant will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date of system acceptance. The warranty shall require the applicant correct, at its own expense, the setup, configuration, customizations or modifications so that it functions according to the State's requirements.

j. Costs and Payment Schedules

All contract costs must be as detailed specifically in the applicant's cost proposal. No charges other than as specified in the proposal shall be allowed without written consent of the State of Delaware. The proposal costs shall include full compensation for all taxes that the selected applicant is required to pay.

The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed. The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated (as much as 25%).

k. Penalties

The State of Delaware may include in the final contract penalty provisions for non-performance, such as liquidated damages.

l. Termination of Contract

The contract resulting from this RFP may be terminated by the State of Delaware as follows:

- 1. Termination for Cause:** If, for any reasons, or through any cause, the applicant fails to fulfill in timely and proper manner its obligations under any contract, or if the applicant violates any of the covenants, agreements, or stipulations of any contract, the State shall thereupon have the right to terminate the contract by giving written notice to the applicant of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the applicant under this contract shall, at the option of the State, become its property, and the Applicant shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the State.

On receipt of the contract cancellation notice from the State, the applicant shall have no less than five (5) days to provide a written response and may identify a method(s) to resolve the violation(s). An applicant response shall not effect or prevent the contract cancellation unless the State provides a written acceptance of the applicant response. If the State does accept the applicant's method and/or action plan to correct the identified deficiencies, the State will define the time by which the applicant must fulfill its corrective obligations. Final retraction of the State's termination for cause will only occur after the Applicant successfully rectifies the original violation(s). At its discretion the State may reject in writing the applicant's proposed action plan and proceed with the original contract cancellation timeline.

- 2. Termination for Convenience:** The State may terminate any contract at any time by giving written notice of such termination and specifying the effective

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the State, become its property and the applicant shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials, and which is usable to the State.

3. **Termination for Non-Appropriations:** In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue any contractual agreement, in whole or part, the agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds. This is not a termination for convenience and will not be converted to such.

m. Non-discrimination

In performing the services subject to this RFP the applicant, as set forth in Title 19 Delaware Code Chapter 7 section [711](#), will agree that it will not discriminate against any employee or applicant with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The successful applicant shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of any contract.

n. Covenant against Contingent Fees

The successful applicant will warrant that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees, bona-fide established commercial or selling agencies maintained by the applicant for the purpose of securing business. For breach or violation of this warranty the State of Delaware shall have the right to annul the contract without liability or at its discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

o. Applicant Activity

No activity is to be executed in an off shore facility, either by a subcontracted firm or a foreign office or division of the applicant. The applicant must attest to the fact that no activity will take place outside of the United States in its transmittal letter. Failure to adhere to this requirement is cause for elimination from future consideration.

p. Applicant Responsibility

The State will enter into a contract with the successful applicants. The successful applicants shall be responsible for all products and services as required by this RFP whether or not the applicant or its subcontractor provided final fulfillment of the order.

q. Personnel, Equipment and Services

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

1. The applicant represents that it has, or will secure at its own expense, all personnel required to perform the services required under this contract.
2. All of the equipment and services required hereunder shall be provided by or performed by the applicant or under its direct supervision, and all personnel, including subcontractors, engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such services. None of the equipment and/or services covered by this contract shall be subcontracted without the prior written approval of the State.

r. Fair Background Check Practices

Pursuant to 29 Del. C. [§6909B](#) and effective November 4, 2014 the State does not consider the criminal record, criminal history, credit history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Applicants doing business with the State are encouraged to adopt fair background check practices. Applicants can refer to 19 Del. C. [§711\(g\)](#) for applicable established provisions.

s. Applicant Background Check Requirements

Applicants selected for an award that access state property or come in contact with vulnerable populations, including children and youth, shall be required to complete background checks on employees serving the State's on premises contracts. Unless otherwise directed, at a minimum, this shall include a check of the following registry:

- Delaware Sex Offender Central Registry at:
<https://desexoffender.dsp.delaware.gov/SexOffenderPublic/>

Individuals that are listed in the registry shall be prevented from direct contact in the service of an awarded state contract, but may provide support or off-site premises service for contract applicants. Should an individual be identified and the applicants believes their employee's service does not represent a conflict with this requirement, may apply for a waiver to the primary agency listed in the RFP. The State of Delaware decision to allow or deny access to any individual identified on a registry database is final and at the State of Delaware sole discretion.

If requested, the applicants shall provide a list of all employees serving an awarded contract, and certify adherence to the background check requirement. Individual(s) found in the central registry in violation of the terms stated, shall be immediately prevented from a return to state property in service of a contract award. A violation of this condition represents a violation of the contract terms and conditions, and may subject the applicant to penalty, including contract cancellation for cause.

Individual contracts may require additional background checks and/or security clearance(s), depending on the nature of the services to be provided or locations accessed, but any other requirements shall be stated in the contract scope of work or be a matter of common law. The applicants shall be responsible for the background check requirements of any authorized Subcontractor providing service pursuant to the contract.

t. Work Product

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

All materials and products developed under the executed contract by the applicant are the sole and exclusive property of the State. The applicant will seek written permission to use any product created under the contract.

u. Contract Documents

This RFP, the purchase order, the executed contract and any supplemental documents between the State of Delaware and the successful applicant shall constitute the contract between the State of Delaware and the applicant. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP, applicant's response to the RFP and purchase order. No other documents shall be considered. These documents will constitute the entire agreement between the State of Delaware and the applicant.

v. Applicable Law

The laws of the State of Delaware shall apply, except where Federal Law has precedence. The successful applicant consents to jurisdiction and venue in the State of Delaware.

In submitting a proposal, applicants certify that they comply with all federal, state and local laws applicable to its activities and obligations including:

1. the laws of the State of Delaware;
2. the applicable portion of the Federal Civil Rights Act of 1964;
3. the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
4. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
5. that programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If any applicant fails to comply with (1) through (5) of this paragraph, the State of Delaware reserves the right to disregard the proposal, terminate the contract, or consider the applicant in default.

The selected applicant shall keep itself fully informed of and shall observe and comply with all applicable existing Federal and State laws, and County and local ordinances, regulations and codes, and those laws, ordinances, regulations, and codes adopted during its performance of the work.

w. Severability

If any term or provision of any contract is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of such contract, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

x. Scope of Agreement

If the scope of any provision of any contract is determined to be too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the contract shall not thereby fail, but the scope of such provisions shall be curtailed only to the extent necessary to conform to the law.

y. Affirmation

The applicant must affirm that within the past five (5) years that the applicant or any officer, controlling stockholder, partner, principal, or other person substantially involved in the contracting activities of the applicant's business is not currently suspended or debarred and is not a successor, subsidiary, or affiliate of a suspended or debarred business.

z. Audit Access to Records

The applicant shall maintain books, records, documents, and other evidence pertaining to any contract to the extent and in such detail as shall adequately reflect performance hereunder. The applicant agrees to preserve and make available to the State, upon request, such records for a period of five (5) years from the date services were rendered by the applicant. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The applicant agrees to make such records available for inspection, audit, or reproduction to any official State representative in the performance of their duties under the contract. Upon notice given to the applicant, representatives of the State or other duly authorized State or Federal agency may inspect, monitor, and/or evaluate the cost and billing records or other material relative to this contract. The cost of any contract audit disallowances resulting from the examination of the applicant's financial records will be borne by the applicant. Reimbursement to the State for disallowances shall be drawn from the applicant's own resources and not charged to contract cost or cost pools indirectly charging contract costs.

E. RFP Miscellaneous Information

1. No Press Releases or Public Disclosure

The State of Delaware reserves the right to pre-approve any news or broadcast advertising releases concerning this RFP, the resulting contract, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this RFP or resulting contract shall require the prior express written permission of the State of Delaware.

The State will not prohibit or otherwise prevent the awarded applicants from direct marketing to the State of Delaware agencies, departments, municipalities, and/or any other political subdivisions, however, the applicant shall not use the State of Delaware's seal or imply preference for the solution or goods provided.

2. Definitions of Requirements

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement. Applicants must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

3. Production Environment Requirements

The State of Delaware requires that all hardware, system software products, and application software products included in proposals be currently in use in a production environment by a least three other customers, have been in use for at least six months, and have been generally available from the manufacturers for a period of six months. Unreleased or beta test hardware, system software, or application software will not be acceptable.

F. Attachments

The following attachments and appendixes shall be considered part of this RFP:

- Attachment 1 – No Proposal Reply Form
- Attachment 2 – Non-Collusion Statement
- Attachment 3 – Exceptions
- Attachment 4 – Confidentiality and Proprietary Information
- Attachment 5 – Business References
- Attachment 6 – Employing Delawareans Report
- Attachment 7 – Office of Supplier Diversity Application

IMPORTANT – PLEASE NOTE

- **Attachments 2, 3, 4, 5 and 6 must be included in your proposal**

REQUIRED REPORTING

One of the primary goals in administering this contract is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of the contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested parties.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Attachment 1

NO PROPOSAL REPLY FORM

Contract No. **TREAS15-200-INVESTMR**

Contract Title: INVESTMENT
MANAGEMENT SERVICES

To assist us in obtaining good competition on our Request for Proposals, we ask that each firm that has received a proposal, but does not wish to bid, state their reason(s) below and return in a clearly marked envelope displaying the contract number. This information will not preclude receipt of future invitations unless you request removal from the Applicant's List by so indicating below, or do not return this form or bona fide proposal.

Unfortunately, we must offer a "No Proposal" at this time because:

- _____ 1. We do not wish to participate in the proposal process.
- _____ 2. We do not wish to bid under the terms and conditions of the Request for Proposal document. Our objections are:

- _____ 3. We do not feel we can be competitive.
- _____ 4. We cannot submit a proposal because of the marketing or franchising policies of the manufacturing company.
- _____ 5. We do not wish to contract with the State of Delaware. Our objections are:

- _____ 6. We do not provide the items/services on which proposals are requested.
- _____ 7. Other: _____

FIRM NAME

SIGNATURE

_____ We wish to remain on the Applicant's List **for these goods or services.**

_____ We wish to be deleted from the Applicant's List **for these goods or services.**

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Attachment 2

CONTRACT NO.: TREAS15-200-INVESTMR
CONTRACT TITLE: INVESTMENT MANAGEMENT SERVICES
DEADLINE TO RESPOND: March 30, 2015 at 4:00 PM (Local Time)

NON-COLLUSION STATEMENT

This is to certify that the undersigned Applicant has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal, **and further certifies that it is not a sub-contractor to another Applicant who also submitted a proposal as a primary Applicant in response to this RFP** submitted this date to the State of Delaware, OFFICE OF THE STATE TREASURER

It is agreed by the undersigned Applicant that the signed delivery of this bid represents, subject to any express exceptions set forth at Attachment 3, the Applicant's acceptance of the terms and conditions of this RFP including all specifications and special provisions.

NOTE: Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, OFFICE OF THE STATE TREASURER.

COMPANY NAME _____

(Check one)

<input type="checkbox"/>	Corporation
<input type="checkbox"/>	Partnership
<input type="checkbox"/>	Individual

NAME OF AUTHORIZED REPRESENTATIVE
(Please type or print) _____

SIGNATURE _____ TITLE _____

COMPANY ADDRESS _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

STATE OF DELAWARE
LICENSE NUMBER _____

FEDERAL E.I. NUMBER _____

COMPANY CLASSIFICATIONS: CERT. NO.: _____	Certification type(s)	Circle all that apply	
	Minority Business Enterprise (MBE)	Yes	No
Woman Business Enterprise (WBE)	Yes	No	
Disadvantaged Business Enterprise (DBE)	Yes	No	
Veteran Owned Business Enterprise (VOBE)	Yes	No	
Service Disabled Veteran Owned Business Enterprise (SDVOBE)	Yes	No	

[The above table is for informational and statistical use only.]

PURCHASE ORDERS SHOULD BE SENT TO:
(COMPANY NAME) _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES _____ NO _____ if yes, please explain _____

THIS PAGE SHALL HAVE ORIGINAL SIGNATURE, BE NOTARIZED AND BE RETURNED WITH YOUR PROPOSAL

SWORN TO AND SUBSCRIBED BEFORE ME this _____ day of _____, 20 _____

Notary Public _____ My commission expires _____

City of _____ County of _____ State of _____

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Attachment 5

Contract No. TREAS15-200-INVESTMR
Contract Title: INVESTMENT MANAGEMENT SERVICES

BUSINESS REFERENCES

List a minimum of three business references, including the following information:

- Business Name and Mailing address
- Contact Name and phone number
- Number of years doing business with
- Type of work performed

Please do not list any employee of the State of Delaware as a business reference. If you have held a contract with the State of Delaware within the last 5 years, please provide a separate list of the contract(s).

1.	Contact Name & Title:	
	Business Name:	
	Address:	
	Email:	
	Phone # / Fax #:	
	Current Applicant (YES or NO):	
	Years Associated & Type of Work Performed:	

2.	Contact Name & Title:	
	Business Name:	
	Address:	
	Email:	
	Phone # / Fax #:	
	Current Applicant (YES or NO):	
	Years Associated & Type of Work Performed:	

3.	Contact Name & Title:	
	Business Name:	
	Address:	
	Email:	
	Phone # / Fax #:	
	Current Applicant (YES or NO):	
	Years Associated & Type of Work Performed:	

STATE OF DELAWARE PERSONNEL MAY NOT BE USED AS REFERENCES.

STATE OF DELAWARE
OFFICE OF THE STATE TREASURER

Attachment 6

Contract No. TREAS15-200-INVESTMR
Contract Title: INVESTMENT MANAGEMENT SERVICES

EMPLOYING DELAWAREANS REPORT

As required by House Bill # 410 (Bond Bill) of the 146th General Assembly and under Section 30, no proposal for any public works or professional services contract shall be responsive unless the prospective applicant discloses its reasonable, good-faith determination of:

1. Number of employees reasonably anticipated to be employed on the project: _____
2. Number and percentage of such employees who are bona fide legal residents of Delaware: _____
Percentage of such employees who are bona fide legal residents of Delaware: _____
3. Total number of employees of the applicant: _____
4. Total percentage of employees who are bona fide legal residents of Delaware: _____

If subcontractors are to be used:

1. Number of employees who are residents of Delaware: _____
2. Percentage of employees who are residents of Delaware: _____

“Bona fide legal resident of Delaware” shall mean any resident who has established residence of at least 90 days in the State of Delaware.

State of Delaware
Office of Supplier Diversity
Certification Application

The most recent application can be downloaded from the following site:
<http://gss.omb.delaware.gov/osd/certify.shtml>

Submission of a completed Office of Supplier Diversity (OSD) application is optional and does not influence the outcome of any award decision.

The minimum criteria for certification require the entity must be at least 51% owned and actively managed by a person or persons who are eligible: minorities, women, veterans, and/or service disabled veterans. Any one or all of these categories may apply to a 51% owner.



Complete application and mail, email or fax to:

Office of Supplier Diversity (OSD)
100 Enterprise Place, Suite 4
Dover, DE 19904-8202
Telephone: (302) 857-4554 Fax: (302) 677-7086
Email: osd@state.de.us
Web site: <http://gss.omb.delaware.gov/osd/index.shtml>

**THE OSD ADDRESS IS FOR OSD APPLICATIONS ONLY.
NO BID RESPONSE PACKAGES WILL BE ACCEPTED BY THE OSD.**