



**REQUEST FOR PROPOSALS**

**INVESTMENT CONSULTANT SERVICES**  
**FOR THE**  
**STATE OF HAWAII**  
**DEFERRED COMPENSATION PLAN**  
**AND ITS BOARD OF TRUSTEES**

RFP NO. DCP-FY-14-2

December 22, 2014

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**PUBLIC NOTICE TO OFFERORS**  
(Hawaii Revised Statutes Chapter 103D)

**REQUEST FOR PROPOSALS (RFP) No. DCP-FY-14-2**

NOTICE is hereby given that COMPETITIVE SEALED PROPOSALS for INVESTMENT CONSULTANT SERVICES FOR THE STATE OF HAWAII DEFERRED COMPENSATION PLAN AND ITS BOARD OF TRUSTEES, RFP No. DCP-FY-14-2, are being solicited. Proposals shall be mailed or hand-delivered to the Chairperson of the Plan's Board of Trustees ("**Board**"), at the Department of Human Resources Development ("**DHRD**"), 235 S. Beretania Street, Room 1004, Honolulu, Hawaii 96813, and must be received by **2:00 p.m. (HST), February 12, 2015**. Deliveries by private mail services such as FedEx or equivalent shall be considered hand-delivered. Proposals shall not be opened publicly, but shall be opened in the presence of persons designated by the Chairperson.

The Request for Proposals ("**RFP**") may be obtained at no cost, beginning at 9:00 a.m. (HST), December 22, 2014 from the above address or can be mailed by calling (808) 587-1050. Offerors/bidders requesting that the RFP be mailed to them must provide their Federal Express Account Number or equivalent. The deadline for submission of written questions or requests to amend the RFP is January 9, 2015. A written "Notice of Intent to Submit a Proposal" must be received by the above office by 2:00 p.m., (HST), January 28, 2015, in order to receive official communications from the Board involving the RFP. Questions and the Notice of Intent to Submit a Proposal may be emailed to the Issuing Officer at [Cynthia.C.Akiyoshi@hawaii.gov](mailto:Cynthia.C.Akiyoshi@hawaii.gov). The Board reserves the right to cancel this RFP, or reject any and all proposals, in whole or in part, when it is in the best interest of the State. The State of Hawaii, Board, and HRD assume no financial responsibility/liability whatsoever for the preparation of any response to this RFP. Additional information on the RFP may be found on our website at <http://www.hawaii.gov/hrd>, or on the Procurement Notices System located on the State Procurement Office website at <http://www.spo.hawaii.gov/>.

Wayne L. Chu, Chairperson  
Board of Trustees  
State of Hawaii  
Deferred Compensation Plan

## I. CALENDAR OF EVENTS

Advertisement	<b>December 22, 2014</b>
Request for Proposals issued	<b>December 22, 2014</b>
Deadline to submit written questions/requests to amend RFP	<b>January 9, 2015 2:00 P.M., HST</b>
State's responses to questions/requests to amend RFP	<b>January 23, 2015</b>
Deadline to submit a "Letter of Intent to Submit a Proposal"	<b>January 28, 2015 2:00 P.M., HST</b>
Deadline to submit proposals	<b>February 12, 2015, 2:00 P.M., HST</b>
Proposal review period	<b>February 13 - March 13, 2015</b>
Interviews with Priority-Listed Offerors (if requested by the State)	<b>March 30-April 3, 2015</b>
Deadline to submit best and final offers	<b>April 10, 2015</b>
Selection of Investment Consultant	<b>April 30, 2015</b>
Contract execution	<b>June 15, 2015</b>

Note: All times specified herein are based on Hawaii Standard Time ("HST").

\*Proposals must be received in the office of the Issuing Officer at the Department of Human Resources Development ("DHRD") by **2:00 p.m., HST, February 12, 2015.** Late proposals shall be rejected and not be considered.

The above dates are subject to change at the Board's sole discretion. The Board reserves the right to change any date(s) as deemed necessary and in the best interest of the STATE.

## II. INTRODUCTION

### A. Background

The State of Hawaii ("**STATE**") Deferred Compensation Plan ("**Plan**") has been in existence since 1982. It is a defined contribution plan that is established under section 457 of the Internal Revenue Code and Hawaii Revised Statutes ("**HRS**") chapter 88E. The Plan's Board of Trustees ("**Board**") is responsible for implementing and administering the Plan. The Board has seven trustees, all of whom are appointed by the Governor, and is placed within the Department of Human Resources Development for administrative purposes.

There are approximately 58,008<sup>1</sup> employees who are eligible to participate in the Plan. The Plan is open to all employees who are members of the STATE's Employees' Retirement System and are employed by the STATE, the County of Hawaii, the County of Maui, or the County of Kauai<sup>2</sup>. The Plan currently has approximately 27,209 participants and \$1,941 million in assets (as of September 30, 2014). The total number of participants represents participants who have account balances in the Plan, and includes employed and terminated employees.

The Plan currently offers the following investment products to participants:

<b>Investment Product</b>
Hawaii Stable Value Fund
PIMCO Total Return Bond Fund
JP Morgan Diversified Real Return
Vanguard Wellington Fund
Wellington CIF II Research Value Portfolio
Victory Institutional Diversified Stock Fund
MainStay Large Cap Growth Fund
Harbor Small Cap Value Fund
Century SMID Cap Growth Equity Fund
MFS International Value Fund
American Funds EuroPacific Growth Fund
Schroder Emerging Market Equity Fund
BlackRock US Bond Index
BlackRock US Large Cap Index
BlackRock US Small/Mid Cap Index
BlackRock Non-US Equity Index

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<sup>1</sup> This figure includes eligible employees in the STATE Executive Branch (including the DOE and University of Hawaii), the Judicial and Legislative Branches, the Hawaii Health Systems Corporation, other separate STATE agencies, and the counties of Hawaii, Maui, and Kauai.

<sup>2</sup> The City and County of Honolulu does not participate in the Plan.

Income Lifecycle Portfolio
2015 Lifecycle Portfolio
2025 Lifecycle Portfolio
2035 Lifecycle Portfolio
2045 Lifecycle Portfolio
2055 Lifecycle Portfolio
Self-Directed Brokerage Option

The Plan's current Third Party Administrator ("**TPA**") is Prudential Retirement Insurance and Annuity Company ("**Prudential**"). Among other things, the TPA provides enrollment, education, customer service, and recordkeeping administration.

Since May 2, 2002, the Board has retained the investment consultant services of Mercer Investment Consulting, Inc. ("**Mercer**"). Under its contract with Mercer, the STATE pays Mercer an annual retainer fee for fixed services, additional fixed fees for investment product and Third Party Administrator ("**TPA**") searches, and various hourly rates for variable services. The Board is responsible for selecting, monitoring, and terminating the Plan's investment products, and relies on the recommendations of the Investment Consultant. Because the Board's Contract with Mercer expires on June 30, 2015, the Board is issuing this RFP.

### **III. SCOPE OF WORK**

The CONTRACTOR shall provide the following fixed and variable services to the Plan and Board:

#### **A. Fixed Services**

1. Review and monitor the Plan's investment products offered to participants, including but not limited to the LifeCycle portfolios, and recommend changes when necessary;
  - a. Review the performance of the current investment products, and compare their performance against their appropriate benchmarks and peer groups, as requested by the Board.
  - b. Review the benchmarks and peer groups, and recommend changes when necessary (including without limitation recommending actions for under-performing investment products), as requested by the Board.
  - c. Review the Plan's current asset allocation, assist the Board in ensuring that the investment products are appropriately diversified, and recommend changes when necessary.
  - d. Assist the Board in rebalancing the LifeCycle portfolios and drafting fund fact sheets for these portfolios.
  - e. Review and compare fees of the current investment products with the fees of other similar investment products, and recommend changes to the fee and reimbursement structures when necessary, as requested by the Board.
  - f. Review the Plan's current investment product structure, and recommend changes when necessary, as requested by the Board.
2. Review and monitor the services and performance of the Plan's TPA, and recommend changes when necessary.
  - a. Review and compare the current TPA fees with the fees charged by other TPAs, and recommend changes to the TPA fee structure when necessary, as requested by the Board.
3. The CONTRACTOR shall provide the following reports to the Board:

- a. A detailed performance report on all of the Plan's investment products, including but not limited to the LifeCycle portfolios, for the periods ending June 30 and December 31 to the reasonable satisfaction of the Board.
  - 1. This report shall cover the calendar quarters, year-to-date totals, immediately preceding one (1) year period, immediately preceding five (5) year period, and immediately preceding ten (10) year period ending June 30 and December 31, respectively.
- b. Summary performance report for the periods ending March 31 and September 30 to the reasonable satisfaction of the Board.
  - 1. This report shall cover the calendar quarters, year-to-date totals, immediately preceding one (1) year period, immediately preceding five (5) year period, and immediately preceding ten (10) year period ending March 31 and September 30, respectively.
- c. An annual short executive summary (to the reasonable satisfaction of the Board) on the investment product and TPA fee comparisons to assist the Board in determining the value of the services being received by the Plan and its participants.
- d. Other reports and information requested by the Board.
- 4. Monitor and inform the Board of any significant developments involving the investment companies or TPA that affect the investment products and/or TPA services provided to the Plan and its participants.
- 5. Monitor and inform the Board of national trends in section 457 and other defined contribution plans, and in the securities industry.
- 6. Monitor and review the Board's investment policy, and recommend changes when necessary.
  - a. Monitor conformance of the Plan's investment products and their respective investment managers with the applicable investment guidelines and the Plan's investment policy.
  - b. If the Board approves the CONTRACTOR's recommended changes, the Board's staff shall revise the Board's investment

policy.

7. Participate in scheduled Board meetings (minimally, via conference call) to provide periodic or quarterly reports on the Plan's investment products, and/or advisory services on Plan activities that are being considered by the Board, in addition to:
  - a. Attend at least two (2) meetings per year in person (at no cost to the STATE, Plan, or Board) at times determined by the Board; provided that the Board shall notify the CONTRACTOR of the meetings at least seven (7) calendar days prior to date of the meetings.
    1. Currently, these meetings consist of the Board's semi-annual meetings that normally last one full day each.
    2. The nature and format of the meetings shall be subject to the discretion of the Board.
8. Keep the Board apprised of amendments to applicable federal laws and rules that affect the Plan (including but not limited to section 457 of the Internal Revenue Code of 1986, as amended).
  - a. The CONTRACTOR shall also review the applicable STATE laws and rules, and the Board's Plan Document, and recommend changes when necessary.
9. Provide investment consultant services in a prompt, courteous, and professional manner.
  - a. This includes promptly answering questions by the Board or its staff.
  - b. There shall be no limit on the telephone, fax, and e-mail communications between the CONTRACTOR and the Board; provided that the Board and its staff agree to a reasonable amount of frequency.
10. Provide training to the Board, if requested by the Board.

B. Variable Services

1. Investment product searches. Assist and advise the Board in investment product searches, and in preparing RFPs for new investment products

when necessary.

- a. The CONTRACTOR's primary function under this responsibility shall be to assist the Board in drafting an RFP and evaluating the responses to the RFP.
- b. The Board has an existing RFP that was used in 2014 to select investment products. This existing RFP shall be used as a starting template and the CONTRACTOR shall make recommended changes to the RFP. Thus, the CONTRACTOR shall not be asked to draft a new RFP from "scratch".
- c. Once the RFP is drafted, the Board's staff shall be responsible for handling the procurement process (i.e., advertising the RFP, receiving the proposals, etc.); provided that the CONTRACTOR may be asked to assist the Board's staff in advertising the RFP nationally.
- d. The CONTRACTOR shall assist the Board in reviewing and evaluating all of the proposals, and selecting the new investment products.
  1. The CONTRACTOR shall review the proposals and provide a written evaluation to the Board.
  2. The Board shall review the CONTRACTOR's evaluation, and select at least the top three (3) proposals.
  3. The top (3) Offerors shall be requested to make an in-person presentation to the Board, and the CONTRACTOR shall attend such presentations at no additional cost to the STATE, Plan, or Board.
  4. The top three (3) Offerors shall subsequently submit their best and final offers, and the CONTRACTOR shall assist the Board in negotiating the investment product provider fees and expense reimbursements (if any).
  5. The CONTRACTOR shall then conduct a more in-depth due diligence review of the top three (3) proposals (and their best and final offers) to the satisfaction of the Board, and make recommendations to the Board in writing and (at a minimum) via telephone conference call.

6. The Board shall select the new investment product provider.
- e. Once a new investment product provider is selected, the CONTRACTOR shall assist the Board in negotiating the final terms and conditions of the resulting Contract.
- f. The Board's staff shall draft the Contract, and the CONTRACTOR shall promptly review the draft and provide comments to the Board.
- g. Once the Contract is executed, the CONTRACTOR shall assist the Board in implementing/transitioning to the new investment product.
- h. If the CONTRACTOR's advice to the Board regarding the selection of investment products is challenged, the CONTRACTOR shall be available (at no additional cost to the STATE, Plan, or Board) to answer questions and explain its advice to the Board or any other third party; provided that:
  1. If the challenge alleges misconduct on the part of the CONTRACTOR, the CONTRACTOR shall be solely responsible for all of the costs it incurs in defending its advice (including without limitation all travel expenses incurred by the CONTRACTOR to travel to the STATE); and
  2. Except as otherwise provided in paragraph B.1.h.1. above or a court order, if the CONTRACTOR is required to personally come to the STATE to explain or testify about its advice, the CONTRACTOR's travel expenses shall be subject to and reimbursed by the Board in accordance with the provisions of this RFP.
2. TPA searches. Assist and advise the Board in TPA searches, and in preparing RFPs for new TPAs, when necessary.
  - a. The CONTRACTOR's primary function under this responsibility shall be to assist the Board in drafting an RFP and evaluating the responses to the RFP.
  - b. The Board has an existing RFP that was used in 2012 to select a TPA. This existing RFP shall be used as a starting template and the CONTRACTOR shall make recommended changes to the RFP (recommendations include but are not limited to whether the Plan should continue using the unbundled approach, what services are normally provided by a TPA using the decided-upon approach, and

the amount of appropriate fees, etc.). Thus, the CONTRACTOR shall not be asked to draft a new RFP from "scratch".

- c. Once the RFP is drafted, the Board's staff shall be responsible for handling the procurement process (i.e., advertising the RFP, receiving the proposals, etc.) ; provided that the CONTRACTOR may be asked to assist the Board's staff in advertising the RFP nationally.
- d. The CONTRACTOR shall assist the Board in reviewing and evaluating all of the proposals, and selecting the new TPA.
  - 1. The CONTRACTOR shall review the proposals and provide a written evaluation to the Board
  - 2. The Board shall review the CONTRACTOR's evaluation, and select at least the top three (3) proposals.
  - 3. The top (3) Offerors shall be requested to make an in-person presentation to the Board, and the CONTRACTOR shall attend such presentations at no additional cost to the STATE, Plan, or Board.
  - 4. The top three (3) Offerors shall subsequently submit their best and final offers, and the CONTRACTOR shall assist the Board in negotiating the TPA fees.
  - 5. The CONTRACTOR shall then conduct a more in-depth due diligence review of the top three (3) proposals (and their best and final offers) to the satisfaction of the Board, and make recommendations to the Board in writing and (at a minimum) via telephone conference call.
  - 6. The Board shall select the new TPA.
- e. Once a new TPA is selected, the CONTRACTOR shall assist the Board in negotiating the final terms and conditions of the resulting Contract.
- f. The Board's staff shall draft the Contract, and the CONTRACTOR shall promptly review the draft and provide comments to the Board.
- g. Once the Contract is executed, the CONTRACTOR shall assist the Board in implementing/transitioning to the new TPA.

- h. If the CONTRACTOR's advice to the Board regarding the selection of TPAs is challenged, the CONTRACTOR shall be available (at no additional cost to the STATE, Plan, or Board) to answer questions and explain its advice to the Board or any other third party; provided that:
  - 1. If the challenge alleges misconduct on the part of the CONTRACTOR, the CONTRACTOR shall be solely responsible for all of the costs it incurs in defending its advice (including without limitation all travel expenses incurred by the CONTRACTOR to travel to the STATE); and
  - 2. Except as otherwise provided in paragraph B.2.h.1. above or a court order, if the CONTRACTOR is required to personally come to the STATE to explain or testify about its advice, the CONTRACTOR's travel expenses shall be subject to and reimbursed by the Board in accordance with the provisions of this RFP.
- 3. Other searches. Assist and advise the Board in other searches, and in preparing RFPs when necessary (this may include issuing RFPs for investment advice and brokerage windows, as requested by the Board).
  - a. The CONTRACTOR shall provide the same search/RFP services described in paragraphs III.B.1. and 2. above.
- 4. Attending meetings. Attend other meetings not described in this RFP, as requested by the Board.
  - a. For these other meetings only, the CONTRACTOR shall be reimbursed by the Board for travel expenses at the rates applicable to STATE government employees.
  - b. Currently, these rates are as follows:
    - 1. Air transportation shall be by coach class;
    - 2. Ground transportation shall be by taxi or intermediate-sized vehicle; and
    - 3. Subsistence allowance (i.e., hotel and meals, etc.) shall not exceed ONE HUNDRED FORTY-FIVE and NO/100 DOLLARS (\$145.00) per day.

These rates shall automatically change when the STATE government employee rates change.

- c. The CONTRACTOR shall submit a detailed invoice (with receipts) within thirty (30) calendar days after the above travel expenses have been incurred, and the Board shall pay the invoice within forty-five (45) calendar days after receipt of the invoice by the Board.

5. Other consultant services. Provide other consultant services not described herein, as requested by the Board.

C. Other Services

1. Provide other services, if any, in addition to the fixed and variable services described in this RFP.
2. These other services are not a mandatory requirement of this RFP; however, if proposed or offered, these services shall add value and be related to the fixed and variable services described in this RFP.
3. There shall be no additional cost or fees to provide any of these other services.

D. The CONTRACTOR shall provide the above fixed, variable, and other services in accordance with:

1. All applicable federal laws and regulations;
2. All applicable STATE laws and rules;
3. The Board's Plan Document and Investment Policy;
4. The terms and conditions of the Contract between the Board and CONTRACTOR; and
5. Generally accepted investment consultant industry standards.

#### **IV. COMPENSATION**

##### **A. Fixed Services**

1. Please specify the annual retainer fee in U.S. dollars to provide the fixed services described in paragraph III.A.

##### **B. Variable Services**

1. Please specify the cost/fees in U.S. dollars to provide the variable services described in paragraph III.B.1. regarding investment product searches.
  - a. Please note that the Board is unable to specify the number of investment product searches required per year because this will depend upon, among other things, the performance of the Plan's current investment products and whether new investment products are needed in other asset categories.
  - b. Please indicate whether there is a "discount" if more than one investment product search is done at the same time, and specify the amount of that "discount".
2. Please specify the cost/fees in U.S. dollars to provide the variable services described in paragraph III.B.2. regarding TPA searches.
  - a. Please note that the Board is also unable to specify the number of TPA searches required during the term of the Contract because the Board's current contract with Prudential has an initial term that expires on June 30, 2018, and thereafter, may be renewed up to June 30, 2027.
3. Please specify the cost/fees in U.S. dollars to provide the variable services described in paragraph III.B.3. regarding the other searches/RFPs the Board may request (e.g., investment advice and brokerage windows).
4. Please specify the hourly fee(s) to provide the other variable services described in paragraph III.B.

##### **C. Method of Payment**

1. The CONTRACTOR shall submit an original and two (2) copies of the invoice to the STATE, within thirty (30) calendar days after the end of

each calendar quarter.

2. The CONTRACTOR shall send a copy of the quarterly invoice for services rendered under the Contract to the following for payment:

Prudential Retirement  
30 Scranton Office Park  
Scranton, PA 18507

- D. The CONTRACTOR shall be compensated solely by the Plan's TPA or the assets of the Plan, as determined by the Board.
  1. The CONTRACTOR shall not be entitled to any STATE funds whatsoever, and no STATE funds have been or shall be budgeted for the Plan.
  2. Should the STATE owe any compensation to the CONTRACTOR for services provided under this RFP, such compensation shall be subject to: the availability of funds, allotment by the Director of Finance, and accounting procedures and controls, all in accordance with STATE law.

## **V. ADMINISTRATIVE PROVISIONS**

### **A. State Procurement Code**

1. This RFP is issued in accordance with the provisions of the STATE's Procurement Code contained in HRS chapter 103D and the administrative rules thereunder. All Offerors are charged with presumptive knowledge of all requirements of the cited authorities and STATE law. The submission of a properly executed proposal by an Offeror shall constitute certification and representation of such knowledge.

### **B. Issuing Officer**

1. This RFP is issued by the STATE/Board, and the Issuing Officer for the Contract is Mr. Wayne L. Chu, Chairperson of the Board.
2. The individual listed below is the point of contact from the date this RFP is issued and until the selection and award of the Contract to the Offeror:

Ms. Cynthia Akiyoshi  
State of Hawaii Deferred Compensation Plan  
Department of Human Resources Development  
235 South Beretania Street, Room 1004  
Honolulu, HI 96813

Telephone: (808) 587-1063  
Fax: (808) 587-1107  
E-mail address: Cynthia.C.Akiyoshi@hawaii.gov

NOTE: The above is the mailing and delivery address for this RFP only. All correspondence and proposal submittals shall be clearly marked "For RFP No. DCP-FY-14-2".

### **C. Procurement Officer**

1. The Procurement Officer or his designee shall serve as the STATE's primary liaison with the CONTRACTOR in working with other STATE staff during the term of the Contract. The Procurement Officer or his designee shall provide overall direction during the term of the Contract, and monitor and assess the CONTRACTOR's performance.
2. The Procurement Officer for the Contract is Mr. Wayne L. Chu, Chairperson of the Board.

D. Offeror's Questions on the RFP

1. If an Offeror has any question on the provisions of the RFP, the Offeror shall submit its question(s) in writing (typewritten) to the Issuing Officer prior to the date and time indicated in the "Calendar of Events". Questions may be addressed to the Issuing Officer and sent by e-mail as specified in paragraph B.2 above, provided they are received by the date and time indicated in the "Calendar of Events".
2. The Issuing Officer shall formally respond in writing to timely submitted written questions received by the date and time indicated in the "Calendar of Events". The Issuing Officer intends to respond by e-mail by the date indicated in the "Calendar of Events" to all Offerors known to have picked up an RFP, with a hard copy to follow.

E. Offeror's Requests to Amend the RFP

1. If an Offeror desires to amend a requirement of the RFP, the Offeror shall identify the amendment and provide justification for the amendment in writing. A request to amend this RFP shall be submitted to the Board by the date and time indicated in the "Calendar of Events".
2. The Board shall review the request and decide whether to amend the RFP in its sole discretion. Any changes to the RFP shall be made through the issuance of an Addendum to the RFP.

F. STATE and Board Not Responsible for Non-Receipt of Responses by Offerors.

The STATE, Board, and Plan shall not be responsible for any delays or non-receipt of responses to questions or requests to amend the RFP, or Addendums, by the Offerors/bidders.

G. RFP Amendments

The Board reserves the right to amend this RFP any time prior to the closing date for final receipt of proposals (i.e., prior to the date and time identified in the "Calendar of Events").

H. Cancellation of RFP/Rejection of Proposals

1. The Board reserves the right to cancel the RFP when, in the Board's opinion, such cancellation is in the best interest of the STATE and/or Plan.

2. The Board may reject proposals, in whole or in part, and waive any defects, when in the Board's opinion, such rejection or waiver will be in the best interest of the STATE and/or Plan.
3. The STATE, Board, and Plan shall not be liable for any costs, expenses, loss of profits, or damages whatsoever incurred by the Offerors in the event this RFP is canceled or a proposal is rejected.
4. Multiple, alternate, or conditional proposals shall not be accepted.

I. Bid Security

No bid security is required to be submitted for this RFP, and no performance or payment security shall be required for the resulting Contract.

J. Certifications Required Prior to Contract Award

1. Tax Clearance and Certifications

- a. Prior to award, the CONTRACTOR shall comply with all STATE laws, rules, and regulations related to tax clearances, and labor and business registration requirements. The CONTRACTOR shall provide valid tax clearance certificates from the STATE Department of Taxation ("**DOTAX**") and the Internal Revenue Service, a valid "Certificate of Compliance", Form LIR # 27, issued by the STATE Department of Labor and Industrial Relations ("**DLIR**"), and an original approved "Certificate of Good Standing" from the Business Registration Division ("**BREG**") of the STATE's Department of Commerce and Consumer Affairs for Contract execution.
- b. The CONTRACTOR may use the STATE's Hawaii Compliance Express ("**HCE**"), which provides an electronic proof of compliance registration process allowing those doing business with the STATE to collectively obtain a tax clearance from the DOTAX, Certificate of Compliance from the DLIR, and a Certificate of Good Standing from BREG. Thus, one certificate, a "Certificate of Vendor Compliance", may be obtained instead of three.
- c. The HCE provides current compliance status as of the issuance date, and shall be accepted for both contracting and final payment purposes.
- d. The "Certificate of Vendor Compliance" is available at the HCE

website: <https://vendors.ehawaii.gov/hce/splash/welcome.html>

e. Certificate Costs

- a. All costs, fees, and expenses of obtaining the above certificates shall be the sole responsibility of the CONTRACTOR, and shall not be reimbursed by the STATE, Board, or Plan whatsoever.

K. Insurance

1. The CONTRACTOR shall maintain insurance acceptable to the Board in full force and effect throughout the term of the Contract as follows:
  - a. STATE requirements for workers' compensation, temporary disability, unemployment, and prepaid health care insurance coverages; and
  - b. Professional liability insurance coverage - minimum of TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) per occurrence; provided that this policy shall contain the following clauses:
    1. "This insurance shall not be canceled, limited in scope of coverage, or non-renewed unless at least thirty (30) calendar days written notice has been given to the State of Hawaii Deferred Compensation Plan."
    2. "The State of Hawaii is added as an additional insured with respect to operations and services performed for the State of Hawaii Deferred Compensation Plan."
    3. "It is agreed that any insurance maintained by the STATE or Board of Trustees of the State of Hawaii Deferred Compensation Plan shall only apply in excess of, and not contribute with, the insurance provided by this policy."
2. In addition to the requirements above, the CONTRACTOR shall throughout the term of the Contract obtain and keep in force an appropriate errors and omissions liability insurance policy covering the CONTRACTOR against claims which may arise as a consequence of errors or omissions in providing services (including any such claims which may arise in connection with the services provided under the Contract). The provisions of this paragraph shall survive the expiration or earlier termination of the Contract.

3. The insurance policies specified in this RFP shall be provided by insurance companies authorized to transact business in the STATE, or an unauthorized insurer in accordance with article 8 of HRS chapter 431.
4. The CONTRACTOR agrees to deposit with the Board, on or before the effective date of the contract, certificate(s) of insurance necessary to satisfy the Board that the provisions of the Contract have been complied with, and to keep such insurance in effect and provide the certificate(s) of insurance to the Board during the entire term of the Contract. Upon request by the Board, the CONTRACTOR shall furnish a copy of the policy or policies.
5. Failure of the CONTRACTOR to provide and keep in force such insurance shall constitute a material default under the Contract, entitling the STATE and Board to exercise any or all of the remedies provided in the Contract (including without limitation terminating the Contract). The procuring of any required policy or policies of insurance shall not be construed to limit the CONTRACTOR's liability thereunder, nor to fulfill the indemnification provisions of the Contract. Notwithstanding said policy or policies of insurance, the CONTRACTOR shall be responsible for the full and total amount of any damage, injury, or loss caused by the CONTRACTOR's negligence or neglect in the provision of services under the Contract.

L. Americans with Disabilities Act of 1990

1. The CONTRACTOR shall comply with the Americans with Disabilities Act of 1990, as amended ("**ADA**").
2. In its proposal, the Offeror shall agree to comply with the ADA in the provision of services under this RFP and the Contract, at no cost to the STATE, Plan, or Board.

M. Quiet Period

1. Offerors and their agents, officers, principals, and employees shall not engage in any written or verbal communication with the STATE, Board, Evaluation Committee, or Board's staff during the procurement and selection process. The process ends at the time the Contract is awarded, unless otherwise requested by the Board.
2. Offerors shall not engage in any lobbying efforts, or other attempts to influence the STATE, the Board, the Evaluation Committee, or Board's staff in an effort to be selected.

3. Any violation of this paragraph M. may constitute grounds to reject a proposal.
4. Notwithstanding the provisions of this paragraph M., the above provisions shall not preclude the Plan's current investment consultant from continuing to provide consulting services under its current Contract with the Plan and Board.

## **VI. OFFEROR'S QUALIFICATIONS**

### **A. Executive Summary**

1. Provide an executive summary of the Offeror's proposal that shall:
  - a. Not to exceed three (3) pages in length.
  - b. Fully disclose ALL material facts, terms, and conditions, and include a detailed summary of:
    1. The Offeror's qualifications and experience, including the experience and background of those individuals who would be assigned to the implementation and management of this project, the services that you would intend to provide, your understanding of the Plan and the objectives of the Plan, and the strength and distinguishing characteristics of your company and your response; and
    2. The fees charged for the fixed and variable services under this RFP.
  - c. Summarize the reasons why the Offeror should be selected.
2. The Executive Summary shall be detachable from the Offeror's main proposal.

### **B. Offeror's Qualifications and Experience**

1. State the name, address, telephone, e-mail and Internet addresses, and fax number(s) of your corporate offices and the principal contact for this RFP.
2. Describe fully your company's corporate or other business entity structure, including the state of incorporation or formation and list any controlling stockholders, officers, directors, partners, managers, etc.
  - a. Attach an organization chart of the company (or any part of the company associated with this RFP) showing principal officers, directors, partners, managers, etc. and staff members who will be associated with this RFP.
  - b. When was the company established? Please state how many years your company has been providing investment consulting services.

- c. Please indicate whether your company is a subsidiary or affiliate of another company, and whether there are any pending or proposed agreements to merge or sell the company.
  - d. Describe any significant developments in your organization within the last three (3) years (e.g., personnel reorganization, staff departures, etc.), and any anticipated developments in the future.
- 3. An Offeror must be licensed to transact business in the STATE, and shall have complied with all applicable STATE and federal registration and licensing requirements. Please confirm that your company is a registered Investment Advisor under the Investment Advisers Act of 1940 and provide proof that these applicable registration/ licensing requirements have been complied with (e.g., provide a current Form ADV, certificate of authority, etc. with your proposal).
- 4. Given your current contractual obligations, will your company have any problem providing the services required under this RFP?
- 5. Describe your company's consulting philosophy, and any aspects that are unique to your company.

In addition, please provide the following:

- a. Examples of how your company's philosophy has influenced your clients' investment product structures.
  - b. Examples of how you advised your clients on significant matters that affected an investment product or manager in your clients' structures.
  - c. Examples of your company's philosophy on interacting with your clients' Third Party Administrators to improve the structures of their respective plans.
- 6. Describe your company's philosophy regarding the investment product structure for section 457 and other defined contribution plans.
  - a. Describe your company's philosophy regarding a Fund-of-Funds structure.
    - 1. Is your company in favor of or against such a structure, and state the reasons why or why not.

2. Please specify all costs/fees your company charges to implement a Fund-of-Funds structure.
- b. Describe your company's long-term philosophy for the Plan's current investment product structure.
7. Describe your company's ethics and compliance policies including controls in place to limit harmful activities of your investment consulting professionals.
8. Has any contract of your company ever been terminated for cause? If so, when, by whom and under what circumstances?
9. Has your company ever had a Contract with the STATE to provide services? Briefly describe the nature and scope of the Contract.
10. Describe whether your company has been cited or threatened with citation within the last five (5) years by federal or state regulators for violations of state or federal law and implementing regulations. Please explain in detail.
11. Describe any litigation to which your company is currently a party, or in which it has been involved in, within the last five (5) years, either as a plaintiff or as a defendant, as it relates to the services that you propose to provide pursuant to this RFP (including the current status of such litigation).
  - a. If there is any pending litigation, please provide an opinion of legal counsel that the pending litigation shall not impair the company's ability to provide the services described in this RFP.
12. Describe your company's communications and reporting capabilities:
  - a. Explain the types of standard and customized reports and research services that you provide. Indicate the frequency of the reports that you provide, and submit a sample of the following reports:
    1. Performance measurement and analysis reports;
    2. Investment product and manager performance reports; and
    3. Investment manager research reports.

13. Describe and explain your company's capabilities and due diligence process for:
  - a. Conducting investment product searches. Describe your experience, methodology, and process for evaluating and selecting investment products and managers. Explain how the information on the investment products and managers is gathered and analyzed.
  - b. Monitoring the performance of the investment products and managers. Please provide a sample performance report.
  - c. Conducting TPA searches. Explain how the information on the TPAs is gathered and analyzed.
  - d. Developing and/or reviewing an Investment Policy. Please provide a sample of an investment policy that would be appropriate for a section 457 deferred compensation plan.
14. Describe your willingness to work with the Board and the Plan's TPA to ensure the smooth operation of all Plan functions.
15. Describe in detail your company's experience in providing investment consultant services for both large private and government sectors.
16. It is preferred that the Offeror's professional staff who provide investment consultant services have at least five (5) years of investment consulting experience within the preceding five (5) years of the award of the Contract, preferably dealing with section 457 deferred compensation plans.
  - a. Identify the individuals who will be responsible for the specific tasks required by this RFP, and provide background and experience information on each individual as they relate to the specific tasks, emphasizing their specific experience with providing investment consultant services and the relative contribution each is expected to make to the Plan.
  - b. Please provide resumes of these individuals with your proposal.

C. Offeror's References

1. Indicate the number of clients for which the Offeror currently provides investment consultant services.

2. List the current top ten (i.e., based on the largest number of employees) private sector and the top ten government clients for whom you provide investment consultant services.
  - a. For each, please provide: the average number of clients, services provided, fees charged, contract beginning and end dates, contact person, address, telephone, and fax number.
  - b. Indicate which clients, if any, are similar in size to the STATE's Plan and whether the Plans are unbundled or bundled.
  - c. Provide a brief description of your experience consulting to your clients and on the design of their investment options.
  - d. Indicate the number of clients who have not renewed their contracts with the Offeror within the last five (5) years and briefly describe why.
3. Each Offeror shall provide a list of at least three (3) governmental clients, for whom the Offeror has specifically provided investment consultant services and who can attest to the Offeror's performance.
  - a. Please provide the names, addresses, and contact persons, with their respective email addresses and telephone numbers, of these clients.
  - b. If an Offeror has less than three (3) governmental clients, please provide the above contact information on the Offeror's governmental clients and the appropriate number of private sector clients.
4. By providing the information under this section, the Offeror consents to the STATE contacting the Offeror's governmental and private sector clients for reference purposes.

D. Partnerships, Joint Ventures, and Subcontractors

1. An Offeror shall identify all partners, joint venturers, and subcontractors that the Offeror intends to use in the provision of services under this RFP.
  - a. Note: Once the Contract is executed, an Offeror shall not subcontract any of the work to be performed under the Contract, change subcontractors, or assign the Contract to any other person

or firm without the prior written approval of the STATE.

2. Describe in detail the work that will be performed by the Offeror's partners, joint venturers, and subcontractors.
3. In your proposal, please provide the information requested in this Part VI. "Offeror's Qualifications" and other applicable sections of this RFP on the Offeror's partners, joint venturers, and subcontractors.

## **VII. PROPOSAL SUBMISSION INSTRUCTIONS AND REQUIREMENTS**

### **A. Letter of Intent to Submit a Proposal**

1. An Offeror interested in submitting a proposal is requested to submit a non-binding "Letter of Intent to Submit a Proposal" (see, Appendix "A") to the Issuing Officer no later than the date and time identified in the "Calendar of Events".
  - a. The "Letter of Intent to Submit a Proposal" may be sent by mail or e-mail as identified in section V.B.2.
  - b. Although the "Letter of Intent to Submit a Proposal" is not mandatory (and the failure to submit it will not preclude an Offeror from submitting a proposal), only Offerors who submit a "Letter of Intent to Submit a Proposal" shall receive official communications from the STATE.

### **B. Submission of Proposals**

1. To be considered responsive, an Offeror's proposal shall be for all items specified in this RFP (and any subsequent Addendum). Any proposal offering any other set of terms and conditions contradictory to those included herein (or in any subsequent Addendum) may be rejected without further consideration.
2. An Offeror shall complete the "Standard Proposal Letter" in Appendix "B", and identify the name and telephone number of a person who may be contacted during the evaluation process to discuss the proposal.
  - a. By signing the "Standard Proposal Letter", the Offeror agrees to comply with the requirements of this RFP, and all applicable federal and STATE laws.
  - b. The "Standard Proposal Letter" shall be signed by an officer (an original signature is required) who has authority to bind the Offeror and evidence of that authority must be attached and the corporate seal, if any, affixed to the "Standard Proposal Letter".
3. An Offeror shall prepare and submit a written proposal that fully describes the services, time frame, and compensation that the Offeror proposes in response to this RFP. An Offeror shall describe how its proposal meets the STATE's requirements on a point-by-point basis as itemized in Part III. "Scope of Work", Part VI. "Offeror's Qualifications", and other applicable provisions in this RFP. The description shall be in sufficient detail to

enable the STATE to evaluate the services offered. This is in addition to any brochures or printed materials that may be submitted with this RFP.

- a. The following format shall be used when responding to requirements of this RFP:
    1. Identify the relevant section number and heading;
    2. Repeat the relevant request, condition, or term; and
    3. Provide the response to the matter as appropriate.
  - b. Any supplemental information thought to be relevant, but not applicable to the specified categories, should be provided as an appendix to the proposal.
  - c. All proposal responses must be in accordance with the terms and conditions stated herein. Descriptions may be submitted on additional sheets not provided for in this RFP.
4. An Offeror shall complete the "Wage Certification" form in Appendix "C" and submit it with its proposal.
  5. An Offeror is required to submit its proposal using the Offeror's exact legal name, as registered in the state in which it is incorporated or otherwise established. Failure to do so may delay proper execution of the Contract. The original proposal response must also contain original signatures, and facsimiles shall not be accepted.
  6. All materials submitted shall become the property of the STATE, unless otherwise noted, and shall not be returned.
  7. The STATE reserves the right to hold all proposals received for a period of ninety (90) days from the date of the proposal opening, during which time they shall be irrevocable, unless otherwise required by law.
  8. Proposals shall be mailed or hand-delivered to the Issuing Officer at the address specified in section V.B.2. Deliveries by private mail services such as FedEx or equivalent shall be considered hand-delivered. Proposals must be received and time-stamped by the Issuing Officer **no later than the date and time indicated in the "Calendar of Events"**.
    - a. Any proposal received after that date and time shall be rejected. Faxed or e-mailed proposals shall not be accepted or considered for award.

- b. The outside cover of the package containing the proposal shall be marked:

"Proposal Submitted in Response to  
RFP No. DCP-FY-14-2 for Investment Consultant Services for the  
State of Hawaii Deferred Compensation Plan and Its Board of  
Trustees (Name, address, and fax number of Offeror)"
  - c. All proposals must be typewritten or mechanically printed on 8 ½" x 11" paper.
9. Each qualified Offeror shall submit one (1) single-sided unbound original of the proposal and nine (9) copies (for a total of ten (10)) concurrently.
- a. Proposals shall be time-stamped upon receipt and shall not be opened publicly.
  - b. Ten (10) copies of the proposal (including all exhibits and attachments) should also be submitted in electronic format (i.e., on a CD or flash drive).
  - c. Submission should include a total of twenty (20) proposals that consist of ten (10) proposals in paper format and ten (10) proposals in electronic format.
  - d. Ten (10) copies of the Executive Summary as specified in section VI.A.
10. Any Offeror may modify or withdraw a proposal before the opening date indicated in the "Calendar of Events".
11. Trade Secrets/Proprietary Data
- a. If an Offeror considers any part of a proposal a trade secret or proprietary data, the Offeror shall clearly designate that portion as confidential in order to obtain any protection from disclosure that may be available under HAR section 3-122-58, and HRS chapter 92F. Simply marking a section "confidential" shall not ensure protection. Each sheet of such information shall be marked with the following: "This data constitutes a trade secret or proprietary data under HAR section 3-122-58, and/or HRS chapter 92F." Materials shall be readily separable from the proposal in order to facilitate inspection of the nonconfidential portion of the proposal.

- b. Offerors shall submit reasons why the marked material constitutes a trade secret or proprietary data under the applicable section or chapter, and attach such justification with the proposal. The Offeror's pricing information for this RFP shall be open to public inspection and shall not be regarded as confidential.

12. Costs for Proposal Preparation

Any and all costs incurred by an Offeror in preparing or submitting a proposal to this RFP shall be the Offeror's sole responsibility, and shall not be reimbursed by the STATE, Plan, or Board whatsoever.

## **VIII. PROPOSAL EVALUATION AND SELECTION**

### **A. Introduction**

1. Only those proposals that substantially meet all of the terms, conditions, and requirements specified in this RFP shall be considered. All other proposals shall be considered non-responsive and shall be eliminated from the evaluation and selection process.
2. The Procurement Officer is committed to a fair and impartial evaluation of all proposals received.

### **B. Evaluation Criteria**

The evaluation shall be based on the following criteria and the corresponding point system:

	<u>Criteria</u>	<u>Maximum Points</u>
1.	Offeror's Qualifications and Experience	60
2.	Offeror's References	15
3.	Fees (based on the first five (5) years of the Contract)	
	a. Fixed services	10
	b. Variable services	10
4.	Provision of other services, if any	<u>5</u>
	TOTAL	100 ===

### **C. Evaluation Committee**

The Board shall be the Evaluation Committee who shall review and evaluate all proposals submitted under this RFP.

### **D. Evaluation Process**

The evaluation of proposals shall be conducted in six (6) phases:

1. Phase 1 - Initial Classification of Proposals

Proposals shall be classified initially as "acceptable", "potentially acceptable", or "unacceptable". All responsive, responsible Offerors who submit "acceptable" or "potentially acceptable" proposals shall be eligible for the priority list in Phase 2.

The purpose of this phase is to determine whether an Offeror's proposal is sufficiently responsive to the RFP to permit a complete evaluation. Offerors shall submit the "Standard Proposal Letter", and a proposal that addresses all of the requirements specified in this RFP and is in the format specified in this RFP. Failure to meet these requirements shall be grounds to deem the proposal "unacceptable".

2. Phase 2 - Establishment of Priority-Listed Offerors

If there are more than three (3) "acceptable" or "potentially acceptable" proposals, the Evaluation Committee shall evaluate the proposals under the evaluation criteria above, rank the proposals, and limit the priority list to at least three (3) responsive, responsible Offerors who submitted the highest-ranked proposals. Those responsive, responsible Offerors who are selected for the priority list shall be referred to as the "Priority-Listed Offerors".

3. Phase 3 - Interviews with Priority-Listed Offerors

During this phase, the Evaluation Committee may (in its sole discretion) conduct interviews only with Priority-Listed Offerors during the time period designated in the "Calendar of Events".

The Evaluation Committee may require oral presentations from the Priority-Listed Offerors to ensure a thorough, mutual understanding of each proposal. The Evaluation Committee shall schedule the time and location for these presentations during the time frame in the "Calendar of Events" or as required by the Evaluation Committee. Any Priority-Listed Offeror who is requested to make a presentation but fails to make the presentation on the scheduled date to the Evaluation Committee shall not be considered for the final award. Any and all costs incurred by an Offeror in making the presentation shall be the Offeror's sole responsibility and shall not be reimbursed by the STATE, Plan, or Board whatsoever.

4. Phase 4 - Submission of Best and Final Offers

Priority-Listed Offerors shall submit their best and final offers by the date and time indicated in the "Calendar of Events". Best and final offers shall be submitted only once unless it is determined in writing by the Board to

be in the best interest of the STATE to conduct additional discussions, or change the STATE's requirements and require another submission of best and final offers.

Priority-Listed Offerors that do not submit a best and final offer shall have their immediate previous proposal considered their best and final offer.

5. Phase 5 - Final Evaluation of Proposals

During this phase, the Evaluation Committee shall conduct final evaluations of the Priority-Listed Offeror's best and final offers submitted by the Offerors.

6. Phase 6 - Recommendation for Award

The Evaluation Committee shall prepare a short report summarizing its findings and rankings, and shall make the final determination for selection of the CONTRACTOR.

E. Contract Period

1. The successful Offeror shall enter into a Contract for a period commencing on or about July 1, 2015, and ending June 30, 2020 (i.e., for an initial five (5) year period).
2. Thereafter, the Contract may be extended by written mutual consent for the following renewal periods:
  - a. July 1, 2020 to June 30, 2025 (i.e., for five (5) additional years); and
  - b. July 1, 2025 to June 30, 2027 (i.e., for two (2) additional years).
3. If the CONTRACTOR does not desire to extend the Contract at the end of the expiration date, the CONTRACTOR shall notify the Board in writing at least one hundred eighty (180) calendar days prior to the expiration date.
  - a. If the CONTRACTOR fails to notify the Board in writing of its intent to not extend the Contract at least one hundred eighty (180) calendar days prior to the expiration date, the Board may automatically extend the Contract on the same terms and conditions for the additional extension period.

F. Contract Execution

1. The successful Offeror shall be required to enter into a formal written Contract in accordance with the laws, rules, and regulations of the STATE. It is anticipated that the Contract shall be executed within sixty (60) calendar days of the date of notification of the award.
2. The STATE intends to use the "General Conditions" in Appendix "D"; provided that the following termination provisions shall also apply:
  - "a. The STATE may terminate the Contract immediately if:
    1. The CONTRACTOR fails to comply with any applicable STATE or federal licensing requirement(s) necessary to provide the services under the Contract;
    2. The Plan is discontinued by the STATE, or is disallowed by operation of any STATE or federal law or court order;
    3. There is insufficient funding for the Plan, as determined solely by the STATE;
    4. The award of the Contract to the CONTRACTOR or the Contract itself is deemed invalid by any court or administrative tribunal;
  - b. Except as otherwise provided in the Contract, if the STATE is dissatisfied with the performance of the CONTRACTOR (or any of its subcontractors), the CONTRACTOR fails to perform its obligations under this Agreement, or the CONTRACTOR otherwise breaches the provisions of the Contract:
    1. The STATE shall immediately notify the CONTRACTOR in writing of the STATE's dissatisfaction, or that the CONTRACTOR has failed to perform or is in breach;
    2. The CONTRACTOR shall have thirty (30) calendar days from receipt of the notification to cure the problem to the satisfaction of the STATE;
    3. During the thirty (30) day period, the CONTRACTOR shall continue to comply with the requirements of the Contract;
    4. If the CONTRACTOR fails to cure the problem within the thirty (30) day period, the STATE may terminate the Contract immediately thereafter; and

5. If at any time after notification, the CONTRACTOR refuses to cure the problem, the STATE may terminate this Agreement within thirty (30) calendar days after such refusal.
- c. Upon termination, expiration, or non-renewal of the Contract, the:
    1. STATE shall not be liable to the CONTRACTOR (or its approved subcontractors) for any costs, expenses, loss of profits, or damages whatsoever incurred by the CONTRACTOR (or its approved subcontractors) in the performance of services required under the Contract;
    2. STATE shall have the right to secure services in the open market, or from the next Offeror whose proposal is deemed most advantageous to the STATE; and
    3. The CONTRACTOR shall be required to assist with and fully cooperate with the STATE in transitioning the Plan to another Investment Consultant at no cost to the STATE.
  - d. Additional rights and remedies.
    1. The rights and remedies provided in this section are in addition to any other rights and remedies provided by law or under the Contract."

## APPENDIX "A"

### LETTER OF INTENT TO SUBMIT A PROPOSAL

Mr. Wayne L. Chu, Chairperson  
Board of Trustees  
State of Hawaii  
Deferred Compensation Plan  
Department of Human Resources Development  
235 South Beretania Street, # 1004  
Honolulu, Hawaii 96813

Fax: (808) 587-1107

Dear Mr. Chu:

Re: Request For Proposals No. DCP-FY-14-2 for Investment Consultant  
Services for the State of Hawaii Deferred Compensation Plan and Its  
Board of Trustees

This is to acknowledge that we have reviewed the above-referenced Request For Proposals and intend to submit a proposal.

Name of Company: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Contact person: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone number: \_\_\_\_\_

Fax number: \_\_\_\_\_

The undersigned understands and agrees that:

1. The STATE reserves the right to cancel the RFP when, in the STATE's opinion, such cancellation is in the best interest of the STATE.
2. The STATE may reject Proposals, in whole or in part, and waive any defects, when in the STATE's opinion, such rejection or waiver will be in

the best interest of the STATE.

3. The STATE shall not be liable for any costs, expenses, loss of profits, or damages whatsoever incurred by the Offerors in the event this RFP is canceled or a proposal is rejected.

Very truly yours,

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

Date: \_\_\_\_\_

## APPENDIX "B"

### STANDARD PROPOSAL LETTER

Mr. Wayne L. Chu, Chairperson  
Board of Trustees  
State of Hawaii  
Deferred Compensation Plan  
Department of Human Resources Development  
235 South Beretania Street, # 1004  
Honolulu, Hawaii 96813

Fax: (808) 587-1107

Dear Mr. Chu:

Re: Request For Proposals No. DCP-FY-14-2 for Investment Consultant Services for the State of Hawaii Deferred Compensation Plan and Its Board of Trustees

The undersigned Offeror hereby submits a proposal in response to RFP No. DCP-FY-14-2 and agrees to act as an Investment Consultant for the State of Hawaii Deferred Compensation Plan and Its Board of Trustees.

The undersigned Offeror understands and agrees that:

1. All services shall be provided in accordance with the RFP, and applicable federal and STATE laws and rules.
2. The STATE reserves the right to cancel the RFP when, in the STATE's opinion, such cancellation is in the best interest of the STATE.
3. The STATE may reject Proposals, in whole or in part, and waive any defects, when in the STATE's opinion, such rejection or waiver will be in the best interest of the STATE.
4. The STATE shall not be liable for any costs, expenses, loss of profits, or damages whatsoever incurred by the Offerors in the event this RFP is canceled or a proposal is rejected.

The undersigned Offeror shall answer the following with a "YES" or "NO".

1. The Offeror has read, understands, and agrees to comply with all specified requirements of the RFP. \_\_\_\_\_

2. The Offeror has read, understands, and agrees to comply with all applicable federal and STATE laws in the provision of services under the RFP. \_\_\_\_\_
3. The Offeror is authorized to transact business in the State of Hawaii.  
\_\_\_\_\_
4. The Offeror has and is willing to commit sufficient staff and resources in Hawaii to perform and deliver the services and products required by the RFP for the Program. \_\_\_\_\_

This "Standard Proposal Letter" shall be (a) signed by an individual or individuals authorized to legally bind the Offeror, (b) dated, and (c) affixed with the corporate seal, if any. If the Offeror is a corporation, evidence in the form of a certified copy of a corporate resolution, or certified copy of articles of incorporation or bylaws, shall be submitted showing the individual's authority to bind the corporation. If the Offeror is a partnership or joint venture, each member of the partnership or joint venture shall sign this letter, or evidence (in the form of a partnership contractor joint venture agreement) must be submitted showing that the individuals signing the proposal letter have the authority to bind the partnership or the joint venture.

Very truly yours,

\_\_\_\_\_  
Authorized Officer\*

\_\_\_\_\_  
Date

Name of Company: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone number: \_\_\_\_\_ Fax number: \_\_\_\_\_

\_\_\_\_\_  
Hawaii General Excise Tax Number or Federal I.D. Number

\* Please attach to this page notarized evidence of the authority of this officer to submit this proposal.

(affix Corporate Seal here)

## **APPENDIX "C"**

### **WAGE CERTIFICATION**

#### **PROPOSAL FOR INVESTMENT CONSULTANT SERVICES FOR THE STATE OF HAWAII DEFERRED COMPENSATION PLAN AND ITS BOARD OF TRUSTEES**

To the extent that Hawaii Revised Statutes section 103-55 applies, I hereby certify that if awarded the Contract, the services to be rendered shall be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than wages paid to public officers and employees for similar work, if similar positions are listed in the classification plan of the STATE government.
2. All applicable laws of the federal and STATE governments, including but not limited to workers' compensation, unemployment insurance, payment of wages, and safety, shall be fully complied with.

I understand that all payments required by federal and STATE laws to be made by employers for the benefit of their employees are to be paid in addition to the base wages required by Hawaii Revised Statutes section 103-55.

Name of Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX "D"**

**STATE OF HAWAII GENERAL CONDITIONS**

[Insert General Conditions]

[Call (808) 587-1050 for a copy of the  
General Conditions, or go to  
[www.hawaii.gov/hrd](http://www.hawaii.gov/hrd) for more  
information on this RFP.]