

REQUEST FOR PROPOSALS

Environmental, Social and Governance (ESG) Ratings, Research and Related Services

RFP Issue Date: August 1, 2019

**Questions Due: August 16, 2019
by 3:00 pm Eastern**

**Proposals Due: September 13, 2019
by 3:00 pm Eastern**

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Table of Contents

1.0 INFORMATION FOR BIDDERS.....	5
1.1 PURPOSE AND INTENT	5
1.2 MINIMUM QUALIFICATIONS	5
1.3 BACKGROUND	5
1.4 KEY EVENTS	6
1.4.1 ELECTRONIC QUESTION AND ANSWER PERIOD	6
1.4.2 DEADLINE AND LOCATION FOR SUBMISSION OF PROPOSAL.....	7
1.5 ADDITIONAL INFORMATION	7
1.5.1 ADDENDA: REVISIONS TO THIS RFP	7
1.5.2 BIDDER RESPONSIBILITY	8
1.5.3 COST LIABILITY	8
1.5.4 PUBLIC DISCLOSURE OF PROPOSAL	8
1.5.5 PRICE ALTERATION IN HARD COPY PROPOSALS.....	9
1.5.6 WITHDRAWING PROPOSAL	9
1.5.7 JOINT VENTURE	9
2.0 DEFINITIONS	10
2.1 GENERAL DEFINITIONS	10
2.2 CONTRACT-SPECIFIC DEFINITIONS.....	11
3.0 SCOPE OF WORK.....	13
3.1 RATINGS AND RESEARCH.....	13
3.2 RELATED SERVICES	13
3.3 TRAINING, EDUCATION, AND CLIENT SERVICE	14
3.4 OPERATIONAL DUTIES	14
3.5 STAFFING	14
4.0 PROPOSAL PREPARATION AND SUBMISSION	15
4.1 PROPOSAL PREPARATION - GENERAL	15
4.2 PROPOSAL SUBMISSION.....	15
4.3 PROPOSAL ORGANIZATION	16
4.4 CERTIFICATIONS.....	16
4.5 FORMS REQUIRED WITH PROPOSAL.....	17
4.5.1 COVER LETTER.....	17
4.5.2 OWNERSHIP DISCLOSURE FORM	17
4.5.3 DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING BIDDER.....	17
4.5.4 SUBCONTRACTOR UTILIZATION PLAN	18
4.5.5 DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN	18
5.0 TECHNICAL PROPOSAL	19
5.1 OVERVIEW.....	19
5.2 ORGANIZATION.....	19
5.3 CLIENTS AND STAFFING	20
5.4 ESG RATINGS/RESEARCH PHILOSOPHY AND PROCESS	21
5.5 ESG RELATED SERVICES.....	22
5.5.1 DESCRIBE ADDITIONAL TECHNOLOGY-ENABLED CAPABILITIES YOUR FIRM PROVIDES CLIENTS TO IDENTIFY, ASSESS AND MONITOR ESG FACTORS (IE PORTFOLIO SCREENING, CARBON TRACKING, IMPACT ASSESSEMENT, ETC.).....	22

5.5.1.1	APPLY FROM THE PERSPECTIVE OF TOTAL PENSION, INDIVIDUAL ASSET CLASSES, INDUSTRY SECTORS AND ACROSS INVESTMENT STRATEGIES	22
5.5.2	ARE THESE SERVICES OFFERED A LA CARTE OR BUNDLED?.....	22
5.5.3	DOES YOUR ANALYTICS DASHBOARD INTEGRATE WITH OTHER THIRD-PARTY SYSTEMS OR DATA PROVIDERS?.....	22
5.6	OPTIONAL SERVICES	22
5.7	PRICE SCHEDULE	22
6.0	TERMS AND CONDITIONS.....	23
6.1	ENTIRE AGREEMENT; PRECEDENCE OF CONFLICTING TERMS	23
6.2	CONTRACT TERM AND EXTENSION OPTION	23
6.3	CONTRACT TRANSITION.....	23
6.4	CONTRACT AMENDMENT.....	23
6.5	CONTRACTOR RESPONSIBILITIES	24
6.6	OWNERSHIP OF MATERIAL	24
6.7	SECURITY AND CONFIDENTIALITY	25
6.7.1	DATA CONFIDENTIALITY.....	25
6.7.2	SECURITY STANDARDS.....	25
6.8	NEWS RELEASES	26
6.9	ADVERTISING	26
6.10	LICENSES AND PERMITS.....	26
6.11	CLAIMS AND REMEDIES	26
6.12.1	CLAIMS.....	26
6.12.2	REMEDIES.....	27
6.13	REMEDIES FOR FAILURE TO COMPLY WITH MATERIAL CONTRACT REQUIREMENTS	
	27	
6.14	ADDITIONAL WORK AND/OR SPECIAL PROJECTS	27
6.15	ORGAN DONATIONS.....	28
6.16	MODIFICATIONS AND CHANGES TO THE STATE OF NJ STANDARD TERMS & CONDITIONS.....	28
7.0	PROPOSAL EVALUATION	30
7.1	RIGHT TO WAIVE	30
7.2	RIGHT TO REJECT OR AWARD IN PART.....	30
7.3	RIGHT TO INSPECT BIDDER'S FACILITIES	30
7.4	RIGHT TO REQUEST FURTHER INFORMATION	30
7.5	SELECTION COMMITTEE.....	30
7.6	ORAL PRESENTATIONS AND/OR DEMONSTRATIONS	31
7.7	EVALUATION CRITERIA.....	31
7.8	PROPOSAL DISCREPANCIES.....	32
7.9	NEGOTIATION AND BEST AND FINAL OFFER (BAFO).....	32
7.10	PROPOSAL RECOMMENDATION	33
8.0	CONTRACT AWARD.....	34
8.1	DOCUMENTS REQUIRED BEFORE CONTRACT AWARD	34
8.1.1	POLITICAL CONTRIBUTION DISCLOSURES.....	34
8.1.2	SOURCE DISCLOSURE CERTIFICATION REQUIREMENTS	34
8.1.3	AFFIRMATIVE ACTION	35
8.1.4	MACBRIDE PRINCIPLES	35
8.1.5	BUSINESS REGISTRATION	35
8.1.6	INSURANCE CERTIFICATES	36
8.1.7	NOTICE TO BIDDERS OF SET-OFF FOR STATE TAXES.....	36
8.1.8	DISCLOSURE REPORT	36

8.2	FINAL CONTRACT AWARD	36
8.2.1	AWARD OR REJECTION OF PROPOSALS	36
8.2.2	NOTICE OF INTENT TO AWARD; PROTESTS	37
9.0	CONTRACT ADMINISTRATION.....	39
9.1	CONTRACT MANAGER.....	39
10.0	APPENDIX.....	39
10.1	PRICE SCHEDULE	39

1.0 INFORMATION FOR BIDDERS

1.1 PURPOSE AND INTENT

This Request for Proposal (RFP) is issued by the State of New Jersey, the Department of the Treasury, Division of Investment (DOI). The purpose of this RFP is to solicit bid proposals from firms for Environmental, Social and Governance (ESG) ratings, research and related services. These firms shall possess the products and services as well as the related experience, skills, expertise, and resources necessary to assist DOI in implementing its ESG Policy, specifically, as it relates to the Division's current asset allocation and investment strategy. Sector/strategy areas include active domestic equity and fixed income, passive developed international markets, fixed income and equity advisor programs and a broad out-sourced alternatives portfolio.

The intent of this RFP is to award up to three (3) contracts to those responsible Bidder(s) whose bid proposal conforming to this RFP is most advantageous to the State, price and other factors considered.

The NJ Standard Terms and Conditions version 4/15/2019 will apply to all contracts or purchase agreements made with the State. These terms are in addition to the terms and conditions set forth in this RFP and should be read in conjunction with them unless the RFP specifically indicates otherwise.

1.2 MINIMUM QUALIFICATIONS

- a) The Bidder must have experience in providing ESG ratings, research or related services to institutional clients, which shall include at least one (1) client with total assets that exceed \$75 billion.
- b) The Bidder must have experience in providing ESG-related products and services for at least three (3) years.
- c) Any Bidder retained by the DOI must comply with various laws, regulations, policies, and procedures of the State. By submitting a proposal in response to this RFP, the firm pledges to comply with all applicable laws, regulations, policies, and procedures.

1.3 BACKGROUND

The DOI was created by P.L. 1950, c. 270, which became effective on July 1, 1950. The statute created the DOI and the State Investment Council ("SIC"). An important objective of the statute creating the DOI and the SIC was to centralize all functions relating to purchases, sales or exchanges of securities for the State's diverse funds under experienced and professional management.

Today, the SIC consists of sixteen members, eight appointed for staggered five-year terms by the Governor, three appointed for three-year terms by the trustees of three of the State's pension systems, two appointed for five-year terms by the Governor from a list of candidates put forward by the state AFL-CIO, one appointed for a three-year term by the Governor from a list of candidates put forward by the New Jersey Education Association (NJEA), one appointed for a five-year term by the Governor from a list of candidates put forward by the President of the Senate and Speaker of the Assembly, and one appointed for a three-year term by the Governor from a list of candidates put forward by the State Troopers Fraternal Association. The eight gubernatorial appointments (excluding those nominated by the President and Speaker of the Assembly, AFL-CIO, NJEA, and State Troopers Fraternal Association) are made with the advice and consent of the State Senate. No member of the SIC shall hold any office, position or employment in any political party, nor shall any member benefit directly or indirectly from any transaction made by the DOI. Members of the SIC serve without compensation.

The role of the SIC is to establish the methods, practices and procedures it deems necessary or proper, which govern the investment activities of the DOI. New regulations adopted by the SIC from time to time are filed with the Office of Administrative Law and published in the New Jersey Register for public comment prior to adoption.

Implementation of investment policies is vested in the Director of the DOI. The Director is subject to the standards of prudent investment set forth in N.J.S.A. 52:18A-89. As part of the Director's fiduciary role, the Director retains the power and right to select, monitor, and terminate consultants when doing so is in the best interest of the State. In making these decisions, the Director may consider many factors, including whether the consultant is complying with applicable statutes and regulations, and whether the consultant is meeting the investment goals and direction established by the SIC and the Director.

The DOI invests the assets of seven different State pension funds, which totaled approximately \$79 billion as of April 30, 2019. The assets of each pension fund are invested in the Cash Management Fund, Common Pension Fund D (Public Securities), and Common Pension Fund E (Alternative Investments and Global Diversified Credit Investments).

In addition to the pension funds, the DOI also manages other State funds, which include a portion of NJBEST, a portion of the New Jersey Deferred Compensation Plan, and other funds.

1.4 KEY EVENTS

1.4.1 ELECTRONIC QUESTION AND ANSWER PERIOD

DOI will electronically accept questions and inquiries from all potential Bidders via email at DOI@treas.nj.gov.

- The RFP should be clearly referenced in the subject line.

- Questions should be directly tied to the RFP and asked in consecutive order, from beginning to end, following the organization of the RFP.
- Each question should begin by referencing the RFP page number and section number to which it relates.
- Questions regarding the Standard Terms & Conditions and exceptions to mandatory requirements should contain requested changes.

Bidders must not contact DOI staff directly, in person, by telephone or by e-mail, other than through the email above, concerning this RFP.

The cut-off date for electronic questions and inquiries relating to this RFP is indicated on the cover sheet. Addenda to this RFP, if any, will be posted on the DOI website, <http://www.state.nj.us/treasury/doinvest/rfp.shtml>, after the cut-off date. See RFP Section 1.5 for further information.

1.4.2 DEADLINE AND LOCATION FOR SUBMISSION OF PROPOSAL

In order to be considered for award, the proposal must be received by DOI on or before the due date and time as indicated on the RFP cover sheet.

ANY PROPOSAL NOT RECEIVED BY THE DATE AND TIME INDICATED ON THE COVER SHEET WILL BE REJECTED.

If a Bidder requests, prior to the deadline, that the Director postpone the deadline due to a documentable cause of delay that is beyond the control of the Bidder, or if the Director otherwise determines that postponement is in the State's best interest, the Director shall designate a revised deadline. The Director shall post notice of any postponement of the deadline on the DOI website, <http://www.state.nj.us/treasury/doinvest>.

Bidders using U.S. Postal Service regular or express mail services should allow additional time since the U.S. Postal Service does not deliver directly to DOI.

Bidders are required to provide proposals to the addresses and in the specific delivery format as described in Section 4.2.

1.5 ADDITIONAL INFORMATION

1.5.1 ADDENDA: REVISIONS TO THIS RFP

If it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum. Any addendum to this RFP will become part of this RFP and part of any contract awarded as a result of this RFP.

**NOTE: ALL ADDENDA WILL BE ISSUED ON AND POSTED TO DOI'S
WEB SITE: <http://www.state.nj.us/treasury/doinvest/rfp.shtml>**

There are no designated dates for release of addenda. Therefore, interested Bidders should check DOI's website on a daily basis from the time of RFP issuance through the proposal submission deadline.

It is the sole responsibility of the Bidder to be knowledgeable of all addenda related to this procurement.

1.5.2 BIDDER RESPONSIBILITY

The Bidder assumes sole responsibility for the complete effort required in submitting a proposal in response to this RFP. It is the sole responsibility of the Bidder to be knowledgeable as to all of the requirements of this RFP and any Addenda. No special consideration will be given after proposals are opened because of a Bidder's failure to be knowledgeable as to such requirements.

1.5.3 COST LIABILITY

The State assumes no responsibility and bears no liability for costs incurred by a Bidder in the preparation and submittal of a proposal in response to this RFP.

1.5.4 PUBLIC DISCLOSURE OF PROPOSAL

The Bidder's proposal and all information submitted by Bidders in response to this RFP may be released to the public under the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq., ("OPRA") or the common law right to know, notwithstanding any disclaimers to the contrary submitted by a Bidder, except as may be exempted from public disclosure by OPRA and the common law.

A Bidder may designate specific information as not subject to disclosure pursuant to the exceptions to OPRA (see N.J.S.A. 47:1A-1.1) or the common law, when the Bidder has a good faith legal and/or factual basis for such assertion. The location in the proposal of any such designation should be clearly stated in a cover letter. The State reserves the right to make the determination as to what is exempt from disclosure, and will advise the Bidder accordingly. **The State will not honor any attempt by a Bidder to designate its entire proposal or the prices offered as exempt from disclosure.** In the event of any challenge to the Bidder's assertion of confidentiality with which the State does not concur, the Bidder may elect to defend its assertion in a timely manner at its own expense.

All received proposals will remain unopened until the deadline for proposal submission. After the deadline, only the names and addresses of the Bidders submitting proposals may be made public. The contents of the proposals shall not be available for public inspection until the Notice of Intent to Award is issued by the Director.

After the Notice of Intent to Award is issued, each proposal and, if applicable, documentation relating to any negotiations, will be available for public inspection in accordance with governing law.

1.5.5 PRICE ALTERATION IN HARD COPY PROPOSALS

Proposal prices must be typed or written in ink. Any price change (including “white-outs”) must be initialed. Any price alteration that has not been initialed shall be disregarded, unless a duplicate copy within the Bidder’s proposal packet contains the same alteration. Examples of alterations include, but are not limited to, cross-outs, erasures, white-outs, write-overs, and strikeovers, with re-entered prices. If the alteration has not been initialed, that particular item only shall be rejected, except if the extended price is verifiably correct and does not contain an alteration or if the extended total price is verifiably correct and does not contain an alteration, it shall be considered the offered price. In the event of a rejection of a single line of a proposal responding to a request for multiple prices for multiple items, the remainder of the proposal shall be evaluated.

1.5.6 WITHDRAWING PROPOSAL

A Bidder discovering an error in its bid proposal prior to the proposal submission deadline may request, in writing, that its submitted proposal be withdrawn. If the request is granted, the Bidder may submit a revised bid proposal provided it is received prior to the proposal submission deadline.

A Bidder discovering an error in its bid proposal after the proposal submission deadline but before the contract award may make written application to the Director for authorization to withdraw its bid proposal. The Director shall consider the Bidder's good faith in making the request, as evidenced by: whether the mistake relates to a material feature or term of the proposal; whether the mistake occurred notwithstanding the Bidder's exercise of reasonable care; and whether the error is so significant that to enforce the contract resulting from the proposal would be unconscionable. The Director shall also consider whether DOI would be significantly prejudiced by granting the request.

1.5.7 JOINT VENTURE

If a joint venture is submitting a proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture’s proposal. Authorized signatories from each party comprising the joint venture must sign the proposal. A separate Ownership Disclosure Form, Disclosure of Investigations and Other Actions Involving Bidder Form, Disclosure of Investment Activities in Iran, Vendor Certification and Political Contribution Disclosure Form, Chapter 51 / Executive Order 117 Vendor Certification and Disclosure of Political Contributions Form, and Affirmative Action Employee Information Report must be supplied for each party to a joint venture. Each party comprising the joint venture must also possess a valid Business Registration Certificate (“BRC”) issued by the Department of Treasury, Division of Revenue prior to the award of a contract. Refer to Section 8.1.5 of this RFP.

2.0 DEFINITIONS

2.1 GENERAL DEFINITIONS

The following definitions will be part of any contract awarded or order placed as result of this RFP.

Addendum – A written clarification or revision to this RFP issued by the Division of Investment.

All Inclusive, Firm Fixed Price – A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction and any other costs. No additional fees or costs shall be paid by the State unless there is a change in the scope of work.

Amendment – A change in the scope of work to be performed by the contractor. An amendment is not effective until it is signed by the Director.

Bidder – An individual or business entity submitting a proposal in response to this RFP.

Contract – This RFP, any addenda to this RFP, the Standard Terms & Conditions, the Bidder's proposal submitted in response to this RFP, and the Bidder's Best and Final Offer.

Contractor – The Bidder awarded a contract resulting from this RFP.

DOI Contract Manager – The DOI employee responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work, as set forth in Sections 3.0 and 9.1.

Evaluation Committee – A committee established by the Director to review and evaluate proposals submitted in response to this RFP and to recommend a contract award to the Director.

Joint Venture – A business undertaking by two or more entities to share risk and responsibility for a specific project.

May – Denotes that which is permissible, not mandatory.

OPRA - New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq.

Project – The undertaking or services that are the subject of this RFP.

Request for Proposal (RFP) – This document which establishes the bidding and contract requirements and solicits proposals to meet the needs of DOI as identified herein.

Selection Committee – A committee established by the Director to review and evaluate proposals submitted in response to this RFP and to recommend a contract award to the Director.

Shall or Must – Denotes that which is a mandatory requirement. Failure to meet a mandatory requirement will result in the rejection of a proposal as materially non-responsive.

Should – Denotes that which is recommended, not mandatory.

Standard Terms & Conditions – State of New Jersey Standard Terms and Conditions (Rev. (4/15/19), which are available online at:

<http://www.state.nj.us/treasury/doinvest/rfp.shtml>

All references in the Standard Terms & Conditions to the Director of the Division of Purchase and Property shall for this RFP be references to the Director of DOI. All references in the Standard Terms & Conditions to the Division of Purchase and Property shall for this RFP be references to DOI.

State – State of New Jersey.

Subtasks – Detailed activities that comprise the actual performance of a task.

Subcontractor – An entity having an arrangement with a State Contractor, whereby the State Contractor uses the products and/or services of that entity to fulfill some of its obligations under its State contract, while the State Contractor retains full responsibility for the performance of all of its obligations under the contract, including payment to the subcontractor. The subcontractor has no legal relationship with the State, only with the State Contractor.

Task – A discrete unit of work to be performed.

2.2 CONTRACT-SPECIFIC DEFINITIONS

Common Pension Fund – A common trust fund used to pool the assets of the individual Pension Plans for the purpose of investment.

Council (SIC) – State Investment Council.

Director – The Director (or Acting Director) of the Division of Investment.

Division (DOI) – The State of New Jersey Department of the Treasury, Division of Investment.

Environmental, Social and Governance (ESG) – Investment considerations that may include, but are not limited to: carbon gas emissions; fossil fuel dependence; climate change;

water issues; clean and renewable energy; workforce diversity; fair trade; human rights; working conditions; reporting transparency; executive compensation; equitability of compensation; board accountability and composition; director independence; shareholder rights; auditor independence, voting practices; and accounting practices and policies.

Investment Policy Committee (IPC) – A subcommittee of the SIC designated by regulation to review investments recommended by DOI and to report to the SIC regarding each proposed investment.

Materiality – Reasonably likely to impact the financial condition or operating performance of a company.

Pension Plans – The individual retirement systems: Public Employees' Retirement System (PERS), Teachers' Pension & Annuity Fund (TPAF), Police and Firemen's Retirement System (PFRS), State Police Retirement System (SPRS), Judicial Retirement System (JRS), Consolidated Police and Firemen's Pension Fund (CPFPPF), and Prison Officers' Pension Fund (POPF).

3.0 SCOPE OF WORK

The Contractor shall work closely with the Investment Policy Committee (IPC) of the SIC, the Director and Deputy Director of DOI, and other staff. The Contractor shall serve in a fiduciary capacity and shall acknowledge in writing its fiduciary status, without qualification. In all cases, the Contractor and its employees will offer advice to DOI solely in the interest of the DOI and the pension plan participants.

The Contractor shall provide at least one of the services outlined in RFP Sections 3.1 and 3.2, and shall provide all services in RFP Sections 3.3 through 3.5.

3.1 RATINGS AND RESEARCH

- A) The Contractor shall provide ESG Ratings on entities across domestic and international markets. These should fall under a broad universe across equity and fixed income asset classes that include public, private, corporate, non-corporate and sovereign securities.
- B) Ratings should provide a holistic view of the entity relative to its peers as well as a granular assessment of how it scores within each ESG category. The Contractor shall clearly demonstrate its methodology in the construction of its ratings.
- C) The Contractor should provide a historical view of ESG ratings and highlight positive and negative trends.
- D) The Contractor shall provide comprehensive, transparent, time-sensitive ESG ratings, and provide access to the fundamental analysts that do the research and make these assessments.
- E) ESG ratings and research shall consider the materiality of all factors beings considered.

3.2 RELATED SERVICES

- A) The Contractor shall provide related services to assist in the implementation and application for the DOI's overall Environmental, Social and Governance Policy as it relates to its internally managed assets and, where possible, its Advisors, Investment Partners and their underlying portfolios.
- B) ESG related services should include tools that enable the DOI to screen monitor and analyze portfolios and benchmarks for all material ESG factors.
- C) Services should help the DOI measure the impact of its investments against a benchmark.
- D) Contractor should support the DOI in the administration of its shareholder engagement best practices.

3.3 TRAINING, EDUCATION, AND CLIENT SERVICE

- A) Provide web-based investment education and training to DOI staff and IPC and SIC members, as requested.
- B) Provide assistance on special projects, as requested.
- C) Participate in ad hoc workshops on specific issues designated by DOI, as requested.
- D) Respond to inquiries within 48 hours of notification.
- E) Share all firm research, including white papers, and provide regular access to research staff.

3.4 OPERATIONAL DUTIES

- A) Meet with DOI staff quarterly by telephone to review topical ESG issues.
- B) Attend ESG committee or SIC council meetings, located in Trenton, NJ, as requested.

3.5 STAFFING

- A) Provide the necessary staff required in order to successfully carry out the requirements set forth in this RFP.
- B) Assign at least one customer relationship manager to the DOI for the duration of the contract.

4.0 PROPOSAL PREPARATION AND SUBMISSION

4.1 PROPOSAL PREPARATION - GENERAL

4.1.1 IN ORDER TO BE CONSIDERED, A PROPOSAL MUST ARRIVE AT DOI IN ACCORDANCE WITH THE INSTRUCTIONS ON THE RFP COVER PAGE. BIDDERS ARE CAUTIONED TO ALLOW ADEQUATE DELIVERY TIME TO ENSURE TIMELY DELIVERY OF PROPOSALS. LATE PROPOSALS SHALL BE INELIGIBLE FOR CONSIDERATION.

4.1.2 The Bidder is advised to thoroughly read and follow all instructions contained in this RFP, including the instructions on the RFP's cover page, in preparing and submitting its proposal.

4.1.3 In order to submit a proposal, Bidders must meet the minimum qualifications set forth in Section 1.2. Proposals from Bidders that do not meet the minimum qualifications shall be deemed non-responsive and will not be evaluated.

4.1.4 Use of URLs in a proposal should be kept to a minimum and may not be used to satisfy any material term of an RFP. If a preprinted or other document included as part of the proposal contains a URL, a printed (or if a bid is submitted electronically, electronic) copy of the URL page shall be provided and will be considered as part of the proposal. Additional URLs on the copy of the URL page shall not be considered as part of the proposal unless a copy of those URL pages are also provided.

4.2 PROPOSAL SUBMISSION

The Bidder must submit the following proposal copies to the addresses provided below.

DELIVER TO DOI at the following address:

VIA USPS

**Attn: Gina Costello
Division of Investment
Department of the Treasury
P.O. Box 290
Trenton, NJ 08625-0290**

VIA COURIER

**Attn: Gina Costello
Division of Investment
Department of the Treasury
50 West State Street, 9th floor
Trenton, NJ 08625-0290**

Bidders using U.S. Postal Service regular or express mail services should allow additional time since the U.S. Postal Service does not deliver directly to DOI.

- **One (1) complete ORIGINAL proposal clearly marked as the "ORIGINAL" proposal.**

- **Seven (7)** complete and exact copies clearly marked “COPY.”
- **Two (2) complete and exact ELECTRONIC copies** of the original proposal in PDF file format on disc (CD or DVD) or portable USB drive to be viewable and "read only" by State evaluators using Adobe Acrobat Reader software.
- **One (1) complete and exact ELECTRONIC copy** of the original proposal in an editable and “writable” PDF file format on disc (CD or DVD) or portable USB drive for redaction.

Copies are necessary in the evaluation of the proposal and for record retention purposes. A Bidder failing to provide the requested number of copies will be charged the cost incurred by the State in producing the requested number of copies. The Bidder should make and retain a copy of its proposal.

4.3 PROPOSAL ORGANIZATION

The proposal should be submitted with the content separated as indicated below:

- Section 1 - Forms (Section 4.5)
- Section 2 – Price Schedule (Section 5.6)
- Section 3 - Technical Proposal (Section 5)
- Section 4 – Appendix Documentation

4.4 CERTIFICATIONS

4.4.1 NON-COLLUSION

By submitting a proposal, the Bidder certifies as follows:

- The price(s) and amount of its proposal have been arrived at independently and without consultation, communication or agreement with any other contractor, Bidder or potential Bidder.
- Neither the price(s) nor the amount of its proposal, and neither the approximate price(s) nor approximate amount of this proposal, have been disclosed to any other firm or person who is a Bidder or potential Bidder, and they will not be disclosed before the deadline for proposal submission.
- No attempt has been made or will be made to induce any firm or person to refrain from bidding on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- The Bidder, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act

prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract.

4.4.2 BUSINESS ETHICS GUIDE

The Treasurer has established a business ethics guide to be followed by State contractors in their dealings with the State. The guide provides further information about compliance with Section 2.8 of the Standard Terms & Conditions. The guide can be found at:

http://www.state.nj.us/treasury/purchase/ethics_guide.shtml

By submitting a proposal, the Bidder is automatically certifying that it has read the guide, understands its provisions, and is in compliance with its provisions.

4.5 FORMS REQUIRED WITH PROPOSAL

4.5.1 COVER LETTER

The Bidder shall submit a cover letter with its proposal, including the signature of an authorized representative of the Bidder. If the Bidder is a limited partnership, the cover letter must be signed by a general partner. If the Bidder is a joint venture, the cover letter must be signed by a principal of each party to the joint venture.

4.5.2 OWNERSHIP DISCLOSURE FORM

Pursuant to N.J.S.A. 52:25-24.2, in the event the Bidder is a corporation or partnership, the Bidder must complete the attached Ownership Disclosure Form. A current completed Ownership Disclosure Form must be received prior to or accompany the proposal.

4.5.3 DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS INVOLVING BIDDER

The Bidder shall provide a detailed description of any investigation, litigation, including but not limited to administrative complaints or other administrative proceedings, involving any public sector clients during the past five (5) years. This description shall include the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. The Bidder shall use the attached Disclosure of Investigations and Other Actions Involving Bidder form for this purpose.

4.5.4 SUBCONTRACTOR UTILIZATION PLAN

All Bidders intending to use a subcontractor must submit a completed Subcontractor Utilization Plan. The Subcontractor Utilization Plan form may be found at the following website:

<http://www.state.nj.us/treasury/purchase/forms/SubContractingForms.pdf>

4.5.5 DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN

Pursuant to N.J.S.A. 52:32-58, the Bidder must certify, at the time the bid is submitted, that neither the Bidder, nor any of its parents, subsidiaries or affiliates, is identified on the State of New Jersey Department of Treasury's list of entities determined to be engaged in prohibited investment activities in Iran. The Bidder shall use the attached Disclosure of Investment Activities in Iran form for this purpose.

5.0 TECHNICAL PROPOSAL

In this section, the Bidder shall describe its approach and plans for accomplishing the work outlined in RFP Section 3.0 Scope of Work. The Bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. The Bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince the State that the Bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract.

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the Bidder's ability to complete the contract. The Bidder's Technical Proposal should be designed to convince the State that the Bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate and that the Bidder's proposal will lead to successful contract completion.

5.1 OVERVIEW

5.1.1 Provide a summary statement of no more than three (3) pages stating why the Bidder is most able to provide the services listed herein to the DOI. Summary statement should also include, at a minimum, how the minimum qualifications listed in Section 1.2 are met.

5.2 ORGANIZATION

5.2.1 Provide a brief history of the firm, including the year organized and the year the firm began providing investment consulting services to public fund clients.

5.2.2 Provide the firm's mission statement.

5.2.3 Describe the ownership structure of the firm, giving specific details with regard to any parents or affiliates. Describe any changes over the last five (5) years. Include an organizational chart and a description of the firm's distribution of ownership interest.

5.2.4 Discuss the overall business objectives of the firm with respect to future growth. Comment on any present or planned areas of emphasis over the near future. Be sure to include in your response:

- i. Plans to develop and expand resources, merge or acquire other firms, or spin-off subsidiaries.

5.2.5 Explain whether the firm exercises discretionary investment authority along with investment consulting services for any clients. If so, describe how the firm addresses potential conflicts.

5.2.6 Describe the firm's commitment to research, performance, and database system enhancements.

- 5.2.7 State whether the firm prepares white papers on relevant investment topics. If so, provide a sample.
- 5.2.8 Describe all licenses that are required in order to do business with the State or elsewhere that are held and maintained by the firm, its directors, officers, and principals, and any of the individuals who will be responsible for providing the services described in this RFP. Provide a listing of any and all suspensions or expulsions of the firm or any of its personnel by any regulatory agency during the past five (5) years with an explanation of the reason for such suspensions or expulsions and the time period for such actions.
- 5.2.9 State whether the firm is registered with the Securities and Exchange Commission or the New Jersey Bureau of Securities, as an investment adviser. If so, provide all disclosures required under those laws (including Parts I and II of Form ADV).
- 5.2.10 State whether the firm has been subject to or is currently being reviewed or audited by the Securities and Exchange Commission or other regulatory agencies. If yes, please describe the nature of the investigation.
- 5.2.11 State whether over the last five (5) years, the firm, or any principal or officer of the firm has been involved in any business litigation, regulatory, or other legal proceedings or government investigation involving allegations of fraud, negligence criminal activity or breach of fiduciary duty. If so, describe.

5.3 CLIENTS AND STAFFING

- 5.3.1 Identify the total number of clients by type (e.g., corporate plan or public plan)
- 5.3.2 Provide the number of clients gained and number of clients lost in each of the last three (3) years, and identify the five (5) largest clients lost over the last three (3) to five (5) years, including the reason(s) for termination.
- 5.3.3 Briefly describe the firm's philosophy with respect to ESG Research mandates and the nature of the services that you provide. What key strengths and competitive advantages generate superior performance and service for the firm's clients?
- 5.3.4 Provide a contract organization chart, with names showing management, supervisory, research and other key personnel to be assigned to the contract.
- 5.3.5 State whether the firm's employees comply with the Code of Ethics and Standards of Professional Conduct of the CFA Institute. If not, indicate whether the firm maintains a code of ethics. Provide a copy of the firm's Code of Ethics.
- 5.3.6 Briefly describe the firm's compensation system for principal staff, and indicate specific incentives utilized to ensure key professionals do not leave the firm either as a group or individually. Explain how the firm ties client performance and satisfaction to employee compensation.

5.3.7 Complete the following table regarding your staff that left or joined your firm within the last three (3) years. Include anticipated personnel changes for the next year.

Name & Title	Joined or Left	Date	Joined	Date	Left	Reason

5.3.8 Describe any significant innovations the firm has made in the ESG sector. Include the names of key staff involved in these developments and if the staff will be on account.

5.4 ESG RATINGS/RESEARCH PHILOSOPHY AND PROCESS

5.4.1 Describe the Bidder’s philosophy, experience and capability with respect to the broad ESG landscape.

- 5.4.1.1 Where do the firm’s core competencies lie?
- 5.4.1.2 What areas has the firm chosen not to focus on and why?

5.4.2 Define “materiality” and how your firm incorporates it into your ratings and research process.

5.4.3 Describe your firm’s expertise in and coverage of domestic and international (developed and emerging) ESG issues.

- 5.4.4 Detail the firm’s methodology in its construction of ESG ratings.
- 5.4.4.1 How has this evolved over time?
 - 5.4.4.2 What considerations are there to improve the process in the future?
 - 5.4.4.3 How often are ratings updated and describe how the firm oversees its broad coverage universe?

- 5.4.5 Detail the firm’s fundamental research process and explain the quantitative and qualitative components that drive company analysis.
- 5.4.5.1 How is the research team organized?
 - 5.4.5.2 What is the average experience of your research analysts?
 - 5.4.5.3 What is the average number of companies under coverage for each analyst?

5.4.6 Identify and discuss the firm’s process for tracking ESG factors in real-time for companies under coverage and over time for sectors in where these risks are material

5.4.7 Describe any customized computer-based analytical tools or web platform exists to access ratings and research report.

5.4.8 Describe the firm’s database and its capabilities. How much is built via aggregated public data versus proprietary information? Describe the sources of data and controls

around monitoring its quality. Describe any portion of the database that you feel is unique from other firms.

- 5.4.9 What limitations, if any, exist to the dissemination of the bidder's research and ratings across the Division, Trustees or Department of the Treasury for use, and for the release of published documents and press releases.

5.5 ESG RELATED SERVICES

- 5.5.1 Describe additional technology-enabled capabilities your firm provides clients to identify, assess and monitor ESG factors (ie portfolio screening, carbon tracking, impact assessment, etc.)

5.5.1.1 Apply from the perspective of total pension, individual asset classes, industry sectors and across investment strategies.

- 5.5.2 Are these services offered a la carte or bundled?

- 5.5.3 Does your analytics dashboard integrate with other third-party systems or data providers?

5.6 OPTIONAL SERVICES

Bidders may elect to provide optional services relating to the scope of work outlined in RFP Section 3.0. Bidders submitting optional services must provide pricing, in the format set forth in the Price Schedule accompanying this RFP.

NOTE: Optional services will be used in the evaluation of proposals.

5.7 PRICE SCHEDULE

The Bidder must submit its pricing using the format set forth in the Price Schedule accompanying this RFP. The Bidder must submit an all-inclusive, firm-fixed price to complete the work required by this RFP.

Any optional service offerings must be listed on the Price Schedule.

Failure to submit all information required will result in the bid being considered non-responsive.

Each Bidder is required to hold its prices firm through issuance of contract.

6.0 TERMS AND CONDITIONS

6.1 ENTIRE AGREEMENT; PRECEDENCE OF CONFLICTING TERMS

The Contract awarded as a result of this RFP shall consist of this RFP (including the Standard Terms & Conditions), any Addenda to this RFP, Contractor's proposal, Contractor's best and final offer, and DOI's Notice of Award.

Unless specifically stated within this RFP, the Modifications and Changes to the Standard Terms & Conditions (as contained in Section 6.16 of this RFP) take precedence over the Standard Terms & Conditions accompanying this RFP.

In the event of a conflict between the provisions of this RFP, including the Modifications and Changes to the Standard Terms & Conditions, any Addenda to this RFP, the Standard Terms & Conditions, Contractor's proposal, and Contractor's best and final offer, the order of precedence from most controlling to least shall be the following: any Addendum to the RFP, the RFP, the Standard Terms & Conditions, Contractor's best and final offer, and Contractor's proposal.

6.2 CONTRACT TERM AND EXTENSION OPTION

The term of the resulting Contract(s) shall be for a period of **two (2) years**. The anticipated "Contract Effective Date" is provided on the signatory page accompanying this RFP. If delays in the procurement process result in a change to the anticipated Contract Effective Date, the Bidder agrees to accept a contract for the full term of the contract.

The contract may be extended for **three (3) additional periods of up to one (1) year each**, by the mutual written consent of the contractor and the Director at the same terms, conditions, and pricing at the rates in effect in the last year of the contract or rates more favorable to the State.

6.3 CONTRACT TRANSITION

In the event that a new contract has not been awarded prior to the contract expiration date, as may be extended herein, it shall be incumbent upon the contractor to continue the contract under the same terms and conditions until a new contract can be completely operational. At no time shall this transition period extend more than **one (1) year** beyond the expiration date of the contract.

6.4 CONTRACT AMENDMENT

Any changes or modifications to the terms of the contract shall be valid only when they have been reduced to writing and signed by the contractor and the Director.

6.5 CONTRACTOR RESPONSIBILITIES

The contractor shall have sole responsibility for the complete effort specified in the contract. Payment will be made only to the contractor. The contractor shall have sole responsibility for all payments due any subcontractor.

The contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under the contract. The contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or payment for any of the services shall not be construed as a waiver of any rights that DOI may have arising out of the contractor's performance of this contract.

6.6 OWNERSHIP OF MATERIAL

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of DOI and shall be delivered to DOI upon thirty (30) days notice by DOI. With respect to software computer programs and/or source codes developed for DOI, the work shall be considered "work for hire," i.e., DOI, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this contract, the contractor or subcontractor hereby assigns to the State all right, title and interest in and to any such material, and the State shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

Should the Bidder anticipate bringing pre-existing intellectual property into the project, the intellectual property must be identified in the proposal. Otherwise, the language in the first paragraph of this section prevails. If the Bidder identifies such intellectual property ("Background IP") in its proposal, then the Background IP owned by the Bidder on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the Bidder. Upon contract award, the Bidder or contractor shall grant the State a non-exclusive, perpetual royalty free license to use any of the Bidder/contractor's Background IP delivered to the State for the purposes contemplated by the contract.

6.7 SECURITY AND CONFIDENTIALITY

6.7.1 DATA CONFIDENTIALITY

All financial, statistical, personnel, customer and/or technical data supplied by DOI to the contractor are confidential. The contractor must secure all data from manipulation, sabotage, theft or breach of confidentiality. The contractor is prohibited from releasing any financial, statistical, personnel, customer and/or technical data supplied by DOI that is deemed confidential. Any use, sale, or offering of this data in any form by the contractor, or any individual or entity in the contractor's charge or employ, will be considered a violation of this contract and may result in contract termination and the contractor's suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

The contractor shall assume total financial liability incurred by the contractor associated with any breach of confidentiality.

6.7.2 SECURITY STANDARDS

6.7.2.1 Contractor shall maintain network security that, at a minimum, includes: network firewall provisioning, intrusion detection and prevention, vulnerability assessments and regular independent third party penetration testing. Contractor shall maintain network security that conforms to current standards set forth and maintained by the National Institute of Standards and Technology (NIST), including those at:

<http://web.nvd.nist.gov/view/ncp/repository>

or any recognized comparable security standard that Contractor then applies to its own infrastructure. Industry standards such as ISO 27002, PCI Data Security Standard and ISF Standard of Good Practice, align with security best practices from SANS and CISecurity.

6.7.2.2 Contractor shall protect and maintain the security of data in accordance with generally accepted industry practices.

6.7.2.3 Data usage, storage, and protection are subject to any applicable federal and state regulatory requirements.

6.7.2.4 Contractor shall only transmit or exchange DOI data with other parties when expressly requested in writing and permitted by and in accordance with requirements of DOI. Contractor shall only transmit or exchange data with DOI or other parties through secure means supported by current technologies.

6.7.2.5 All provisions applicable to data include data in any form of transmission or storage, including but not limited to: database files, text files, backup files, log files, XML files, and printed copies of the data.

6.7.2.6 All DOI-provided data shall be used expressly and solely for the purposes enumerated in the Contract. Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Contractor. No DOI-provided data of any kind shall be transmitted, exchanged or otherwise passed to other contractors or interested parties (other than DOI's custodian) except on a case-by-case basis as specifically agreed to in writing by the DOI Contract Manager.

6.7.2.7 Contractor shall comply with all applicable State and Federal laws that require the notification of individuals in the event of unauthorized release of personally identifiable information or other event requiring notification. In the event of a breach of any of Contractor's security obligations or other event requiring notification under applicable law ("Notification Event"), Contractor shall assume responsibility for informing the DOI Contract Manager and all such individuals in accordance with applicable law and to indemnify, hold harmless and defend the State (including but not limited to DOI), its officials, and employees from and against any claims, damages, or other harm related to such Notification Event.

6.8 NEWS RELEASES

The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Director.

6.9 ADVERTISING

The contractor shall not use the State's name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

6.10 LICENSES AND PERMITS

The contractor shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this contract. The contractor shall, upon request, supply the DOI Contract Manager with evidence of all such licenses, permits, and authorizations. All costs associated with any such licenses, permits and authorizations must be considered by the Bidder in its proposal.

6.11 CLAIMS AND REMEDIES

6.12.1 CLAIMS

All claims asserted against the State (including DOI) by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

6.12.2 REMEDIES

Nothing in the contract shall be construed to be a waiver by the State (including DOI) of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.

6.13 REMEDIES FOR FAILURE TO COMPLY WITH MATERIAL CONTRACT REQUIREMENTS

In the event the contractor fails to comply with any material contract requirements, the Director may take steps to terminate the contract in accordance with the State of NJ Standard Terms & Conditions, authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor as provided for in the State administrative code, or take any other action or seek any other remedies available at law or in equity.

6.14 ADDITIONAL WORK AND/OR SPECIAL PROJECTS

The contractor shall not perform additional work or special projects without first obtaining written approval from both the DOI Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the DOI Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor's written proposal must provide a detailed description of the work to be performed, broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. Whenever possible, the price schedule should be a firm, fixed price to perform the required work. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor's written proposal, the DOI Contract Manager shall forward it to the Director for the Director's written approval.

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the Director's written approval, it shall be at the contractor's sole risk. DOI shall be under no obligation to pay for work performed without the Director's written approval.

6.15 ORGAN DONATIONS

Pursuant to N.J.S.A. 52:32-33, contractors are encouraged to notify their employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees shall be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. §1320b-8 to serve in this State.

NOTE: Selected Vendors will be required to register with the State’s centralized accounting system through NJStart in order to be paid. Vendors not already registered may do so at:
<https://www.njstart.gov/bso/>.

6.16 MODIFICATIONS AND CHANGES TO THE STATE OF NJ STANDARD TERMS & CONDITIONS

6.16.1 The third, fourth and fifth sentences of Section 1 of the Standard Terms & Conditions are deleted and replaced with the following sentence:

“In the event that the Bidder/offeror would like to present terms and conditions that are in conflict with either these terms and conditions or those set forth in the RFP, the Bidder/offeror must present those conflicts during the Question and Answer period or during negotiations for the State to consider.”

6.16.2 The final sentence of Section 1 of the Standard Terms & Conditions is deleted and replaced with the following sentence:

“Nothing in these terms and conditions shall prohibit the Director of the Division of Investment (Director) from amending a contract when the Director determines it is in the best interest of the State.”

6.16.3 Section 4.2 of the Standard Terms & Conditions regarding insurance is modified by:

(i) modifying the Certificate Holder to read:

State of New Jersey, Department of the Treasury
Division of Investment
P.O. Box 290
Trenton, New Jersey 08625

(ii) amending the e-mail address for certificates and notices of cancellation to read:

doi@treas.state.nj.us

and (iii) adding the following section regarding professional liability insurance:

“Professional Liability Insurance: Contractor shall carry Errors and Omissions, Professional Liability Insurance and/or Professional Liability Malpractice Insurance

sufficient to protect Contractor from any liability arising out the professional obligations performed pursuant to the requirements of the Contract. The insurance shall be in the amount of not less than \$10,000,000 and in such policy forms as shall be approved by DOI. If Contractor has claims-made coverage and subsequently changes carriers during the term of the Contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance and/or Professional Malpractice Insurance carrier an endorsement for retroactive coverage to the date of Contract commencement.”

- 6.16.4 References to the “Director” within the Standard Terms & Conditions shall mean the Director of DOI and references to the “State Contract Manager” within the Standard Terms & Conditions shall mean the DOI Contract Manager.

7.0 PROPOSAL EVALUATION

7.1 RIGHT TO WAIVE

The Director reserves the right to waive minor irregularities or omissions in a bid proposal. The Director also reserves the right to waive a requirement provided that:

- a) the requirement is not mandated by law;
- b) all the otherwise responsive proposals failed to meet the requirement; and
- c) in the sole discretion of the Director, the failure to comply with the requirement does not materially affect the procurement or the State's interests associated with the procurement.

7.2 RIGHT TO REJECT OR AWARD IN PART

The Director reserves the right to reject any or all proposals, or to award in whole or in part, if the Director deems it to be in the best interest of the State to do so. Notice of such a rejection shall be posted on the DOI website, <http://www.state.nj.us/treasury/doinvest>.

7.3 RIGHT TO INSPECT BIDDER'S FACILITIES

The Director reserves the right to inspect, or to direct an employee or member of the Selection Committee to inspect, the Bidder's establishment before making an award, for the purposes of ascertaining whether the Bidder has the necessary facilities for performing the Contract.

7.4 RIGHT TO REQUEST FURTHER INFORMATION

7.4.1 The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the Bidder's financial capabilities to perform the Contract.

7.4.2 The Director reserves the right to request a Bidder to explain, in detail, how the proposal price was determined.

7.4.3 The Director reserves the right to consult with clients of the Bidder during the evaluation of bids.

7.5 SELECTION COMMITTEE

Proposals shall be evaluated by a Selection Committee composed of members of DOI staff and/or other State employees. The Director may also recommend technical advisors, including members of the Investment Policy Committee of the SIC, DOI employees, consultants, and/or attorneys to assist the Selection Committee.

7.6 ORAL PRESENTATIONS AND/OR DEMONSTRATIONS

After the submission of proposals, unless requested by DOI as noted below, contact between DOI staff and any Bidder or its employees/representatives regarding the RFP is still not permitted.

After the proposals are reviewed, a Bidder may be asked to clarify certain aspects of its proposal. The process of clarification is not an opportunity for the Bidder to revise or modify its proposal, and any response or portion of a response by the Bidder to a request for clarification that attempts to revise or modify its proposal shall be given no effect.

The Bidder may be required to give an oral presentation to the Selection Committee concerning its proposal. The Selection Committee may request the Bidder to provide a demonstration of the Bidder's systems. Bidders may not attend the oral presentations or demonstrations of their competitors.

It is within the Director's discretion whether to request a Bidder to clarify its proposal or to give an oral presentation. Such a request should not be construed to imply acceptance or rejection of a proposal.

7.7 EVALUATION CRITERIA

All proposals will be reviewed to determine responsiveness. Non-responsive proposals will be rejected without evaluation. Responsive proposals will be evaluated by the Selection Committee.

Responses/proposals may be eliminated for failing to meet the minimum qualifications listed in Section 1.2 above. A Bidder with a history of performance problems as demonstrated by formal complaints and/or cancellations of contracts for cause, may also be eliminated from consideration for an award under this RFP.

The following evaluation criteria categories, separate or combined in some manner, and not necessarily listed in order of significance, will be used to evaluate proposals received in response to this RFP. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process:

- a. The qualifications and experience of the Bidder's management, supervisory, or other key personnel assigned to the Contract, with emphasis on documented experience in successfully completing work on contracts requiring services of similar size and scope.
- b. The Bidder's documented experience in successfully completing contracts requiring services of similar size and scope to the work required by this RFP.
- c. Ability of the Bidder to mobilize, undertake and successfully complete the services required by this RFP.

7.8 PROPOSAL DISCREPANCIES

- 7.8.1 If, during the proposal evaluation process, it is discovered that there is an arithmetic disparity between the unit price and the total extended price, the unit price shall prevail. In the event of such disparity, the Director will request, in writing, confirmation by the Bidder of the revised total extended price. The Bidder will have five (5) business days after receipt of the request to confirm the price. If the Bidder fails to respond, its proposal shall be considered withdrawn, and no further consideration shall be given to it. The Bidder may only confirm and may not modify or amend its price. The Director shall determine whether any intended confirmation is a modification or amendment.
- 7.8.2 If any other obvious pricing error is found, the Director shall issue written request for confirmation to the Bidder. The Bidder will have five (5) business days after receipt of the request to confirm its pricing. If the Bidder fails to respond, its proposal shall be considered withdrawn, and no further consideration shall be given to it. The Bidder may only confirm and may not modify or amend its price. The Director shall determine whether any intended confirmation is a modification or amendment.
- 7.8.3 If there is an ambiguity in the pricing, other than a disparity between the unit price and extended price or other obvious pricing error, and the Bidder's intention is not readily discernible from other parts of the proposal, the Director shall issue a written request for clarification to the Bidder. The Bidder will have five (5) business days after receipt of the request to clarify its pricing. If the Bidder fails to respond, its proposal shall be considered withdrawn, and no further consideration shall be given to it. The Bidder may only clarify and may not modify or amend its price. The Director shall determine whether any intended clarification is a modification or amendment.

7.9 NEGOTIATION AND BEST AND FINAL OFFER (BAFO)

- 7.9.1 After evaluating proposals, DOI may enter into negotiations with one Bidder or multiple Bidders. The primary purpose of negotiations is to maximize the State's ability to obtain the best value based on the mandatory requirements, evaluation criteria, and cost. Multiple rounds of negotiations may be conducted with one Bidder or multiple Bidders. Negotiations will be structured by DOI to safeguard information and ensure that all Bidders are treated fairly.
- 7.9.2 Similarly, the DOI may invite one (1) Bidder or multiple Bidders to submit a BAFO. The invitation will establish the time and place for submission of the BAFO. Any BAFO that is not equal to or lower in price than the pricing offered in the Bidder's original proposal will be rejected as non-responsive, and DOI will revert to consideration and evaluation of the Bidder's original pricing.
- 7.9.3 If required, after review of the BAFO(s), clarification may be sought from the Bidder(s). DOI may conduct more than one round of negotiation and/or BAFO in order to attain the best value for the State.

7.9.4 Negotiations will be conducted only in those circumstances where they are deemed by DOI or the Director to be in the State's best interests and to maximize the State's ability to obtain the best value. Therefore, the Bidder is advised to submit its best technical and price proposal in response to this RFP since DOI may, after evaluation, make a contract award based on the content of the initial submission without further negotiation and/or BAFO with any Bidder.

7.10 PROPOSAL RECOMMENDATION

7.10.1 After evaluation of proposals and as applicable, negotiation(s) and/or BAFO(s), the Selection Committee will recommend to the Director the responsible Bidder(s) whose proposal(s), conforming to the RFP, is/are most advantageous to the State, price and other factors considered. The Director may accept, reject or modify the recommendation of the Selection Committee. The Director may initiate additional negotiation or BAFO procedures with the selected Bidder(s).

7.10.2 Until a Notice of Intent to Award the Contract is issued, all contacts, records of initial evaluations, any correspondence with Bidders related to any request for clarification, negotiation or BAFO, any revised technical and/or price proposals, the Selection Committee Report, and the Award Recommendation will remain confidential.

8.0 CONTRACT AWARD

8.1 DOCUMENTS REQUIRED BEFORE CONTRACT AWARD

8.1.1 POLITICAL CONTRIBUTION DISCLOSURES

The State shall not enter into a contract with a Bidder that has solicited or made certain political contributions or payments to political parties during certain specified time periods. These prohibitions are set forth in P.L. 2005, Chapter 51, Executive Order No. 117 (2008), P.L. 2005, Chapter 271, and N.J.A.C. 17:16-4.

Pursuant to P.L. 2005, Chapter 271, at least ten (10) days prior to contract award, the Bidder shall complete and submit the attached Vendor Certification and Political Contribution Disclosure Form.

Pursuant to P.L. 2005, Chapter 51 and Executive Order No. 117 (2008), prior to the award of any contract, the Bidder shall complete and submit the attached Chapter 51 / Executive Order 117 Vendor Certification and Disclosure of Political Contributions form. Instructions for completing this form are available for review on the Division of Purchase & Property's website at:

http://www.state.nj.us/treasury/purchase/forms/eo134/c51_eo117_cd_instr%2002_2009.pdf

Pursuant to N.J.A.C. 17:16-4, prior to engagement, the Bidder shall complete and submit a Disclosure Report of Political Contributions by Investment Management Firm. This form is available at:

<http://www.state.nj.us/treasury/doinvest/pdf/index/CampFinFirmsForm9-05.pdf>

8.1.2 SOURCE DISCLOSURE CERTIFICATION REQUIREMENTS

Pursuant to N.J.S.A. 52:34-13.2, all services performed under a State contract or under any subcontract under the State contract shall be performed within the United States, except when it is certified in writing that a required service cannot be provided by a contractor or subcontractor within the United States and the certification is approved by the State Treasurer. Refer to Section 3.6 of the State of New Jersey Standard Terms & Conditions.

The Bidder shall disclose the location by country where services under the Contract, including subcontracted services, will be performed. If any of the services cannot be performed within the United States, the Bidder shall state with specificity the reasons why the services cannot be so performed. The Bidder shall use the attached Source Disclosure Certification form for this purpose.

8.1.3 **AFFIRMATIVE ACTION**

Pursuant to N.J.S.A. 10:5-32, no contract shall be awarded to any Bidder which has not agreed and guaranteed to afford equal opportunity in performance of the contract and in accordance with an affirmative action program approved by the State Treasurer.

The intended awardee must submit a copy of a New Jersey Certificate of Employee Information Report, or a copy of Federal Letter of Approval verifying it is operating under a federally approved or sanctioned Affirmative Action program. Intended awardee(s) not in possession of either a New Jersey Certificate of Employee Information Report or a Federal Letter of Approval shall complete and submit the attached Affirmative Action Employee Information Report.

8.1.4 **MACBRIDE PRINCIPLES**

The intended awardee shall certify that it either (1) has no business operations in Northern Ireland or (2) that it will take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in Section 2 of P.L.1987, c.177 (N.J.S.A. 52:18A-89.5), and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles. The intended awardee shall use the attached MacBride Principles Form for this purpose.

8.1.5 **BUSINESS REGISTRATION**

Pursuant to N.J.S.A. 52:32-44(b), a Bidder and its named subcontractors must have a valid Business Registration Certificate ("BRC") issued by the Department of Treasury, Division of Revenue prior to the award of a contract. See Section 2.1 of the Standard Terms & Conditions.

Any Bidder, inclusive of any named subcontractors, who does not have a valid business registration at the time of the proposal submission opening or whose BRC was revoked prior to the submission of the proposal should proceed immediately to register its business or seek re-instatement of a revoked BRC. Bidders are cautioned that it may require a significant amount of time to secure the re-instatement of a revoked BRC. The process can require actions by both the Division of Revenue and the Division of Taxation. For this reason, a Bidder's early attention to this requirement is highly recommended. The Bidder and its named subcontractors may register with the Division of Revenue, obtain a copy of an existing BRC or obtain information necessary to seek re-instatement of a revoked BRC online at:

<http://www.state.nj.us/treasury/revenue/busregcert.shtml>

A Bidder receiving a contract award as a result of this procurement and any subcontractors named by that Bidder will be required to maintain a valid business

registration with the Division of Revenue for the duration of the Contract, inclusive of any contract extensions.

8.1.6 INSURANCE CERTIFICATES

Contractor shall provide DOI with current certificates of insurance for all coverages required by the terms of this contract, naming DOI as an Additional Insured. Refer to Section 4.2 of the Standard Terms & Conditions accompanying this RFP.

8.1.7 NOTICE TO BIDDERS OF SET-OFF FOR STATE TAXES

Pursuant to L. 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership, or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, is entitled to payment for those goods and services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set off under this act.

8.1.8 DISCLOSURE REPORT

Subchapter 4 of the N.J.A.C 17:16-4 sets forth the State Investment Council's policy concerning political contributions and prohibitions on investment management business. N.J.A.C. 17:16-4 et seq. prohibits investment management firms from being engaged to provide investment management services to the State if certain political contributions have been made and further requires the disclosure of political contributions and other information to allow meaningful public scrutiny of the selection of investment management firms.

The Disclosure Report of Political Contributions by Investment Management Firm must be completed by the consultant awarded this contract.

8.2 FINAL CONTRACT AWARD

8.2.1 AWARD OR REJECTION OF PROPOSALS

Contract award(s) shall be made with reasonable promptness by written notice to that responsible Bidder(s), whose proposal(s), conforming to this RFP, is (are) most advantageous to the State, price and other factors considered. Any or all proposals may be rejected when the Director determines that it is in the public interest to do so. The Director shall make his or her decision consistent with his or her fiduciary duties pursuant to N.J.S.A. 52:18A-89.

8.2.2 **NOTICE OF INTENT TO AWARD; PROTESTS**

The Director shall post a Notice of Intent to Award on the DOI website. In the event that the Director determines that all proposals shall be rejected or no award shall be made, the Director shall post a notice of such determination on the DOI website. The DOI website is located at: <https://www.nj.gov/treasury/doinvest/>

A non-successful Bidder, within ten (10) business days following the Notice of Intent to Award, may submit a written protest. If a contract award is protested, DOI shall not award the contract in question until a final decision is rendered on the merits of the protest, unless the Director finds that the failure to award the contract will result in substantial cost to the State or that public exigency so requires. In such event, DOI shall notify all interested parties.

Protests must be submitted to the Director, and must concern one or more of the following:

- a) Rejection of the Bidder's proposal for failing to meet the minimum qualifications and screening criteria listed in Section 1.4 above. Such protest may not challenge the validity of the requirements or criteria, but rather may assert that its proposal complied with such requirements or criteria; and/or
- b) Notice of intent to award contract(s) to another Bidder as part of the same procurement.

A protest shall contain the following:

- a) Identification of the particular procurement;
- b) The specific grounds for challenging the rejection of its proposal or the scheduled contract award, as applicable, including all arguments, materials and/or other documentation that may support the protester's position; and
- c) A statement as to whether the protester requests an opportunity for an in-person presentation and the reason(s) for the request.

The Director has sole discretion to determine if an in-person presentation by the protester is necessary to reach an informed decision on the protest. In-person presentations are fact-finding for the benefit of the Director, who has the discretion to limit attendance at an in-person presentation to those parties likely to be affected by the outcome of the protest.

The Director is entitled to request, receive, and review copies of any and all records and documents deemed appropriate and relevant to the issues and arguments set forth in the protest. Upon receipt of any such request, the Bidder shall promptly

provide the requested records and documents in the time, place, and manner specified in the request. Failure to do so may constitute a reasonable basis for the Director to resolve the protest against the Bidder submitting the protest. The Director may also consider relevant information requested and received from other parties as he or she deems appropriate.

The Director may disregard any protest not containing all of the items set forth above or filed after the 10-day protest period.

The protest shall be resolved by written decision of the Director based on the Director's review of the written record including, but not limited to, the written protest, the terms, conditions and requirements of the RFP, the proposals submitted in response to the RFP, written reports and/or the award recommendation documents, pertinent administrative rules, statutes, and case law, and any associated documentation deemed appropriate. In cases where no in-person presentation is held, such review of the written record shall, in and of itself, constitute an informal hearing.

The Director may designate someone, from within or outside DOI, to perform a review of the written record and conduct an in-person presentation. In the case of a review or in-person presentation being handled by a reviewer from outside DOI, the determination of such designee shall be in the form of a report to the Director, which shall not be binding on the Director but rather advisory in nature. The protesting party shall receive a copy of the reviewer's report and shall have a period of ten (10) business days to provide written comments or exceptions to the report to the Director.

The Director shall make a final written decision on the protest.

Protests are not contested cases subject to the requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1. Final agency determinations by the Director on protests are appealable to the Appellate Division of the Superior Court of New Jersey.

9.0 CONTRACT ADMINISTRATION

9.1 CONTRACT MANAGER

The DOI Contract Manager is the DOI employee responsible for the overall management and administration of the Contract, including directing Contractor to perform the work of the Contract and resolving minor disputes between Contractor and DOI.

The DOI Contract Manager for the Contract will be identified when the Contract is awarded. At that time, Contractor will be provided with the DOI Contract Manager's name, address, telephone number, and e-mail address. The DOI Contract Manager is the person that Contractor will contact after the Contract is executed for answers to any questions and concerns about any aspect of the Contract.

10.0 APPENDIX

10.1 PRICE SCHEDULE

The Bidder should complete all pages of this Price Schedule. The Bidder should not leave cells blank, but rather utilize "N/C" (No Charge) if applicable.

Refer to RFP Section 5.6 Price Schedule for additional information regarding this Price Schedule.

Price Schedule
3.1 Rating and Research

Bidder Name: _____

Total Yearly Firm Fixed Price for Completing Scope of Services as Noted for Initial 2-year Contract Period:

Year One: \$ _____

Year Two: \$ _____

Totally Yearly Firm Fixed Price for Completing Scope of Services as Noted for Additional Years 3, 4 and 5:

Year Three: \$ _____

Year Four: \$ _____

Year Five: \$ _____

Price Schedule
3.2 Related Services

Bidder Name: _____

Total Yearly Firm Fixed Price for Completing Scope of Services as Noted for Initial 2-year Contract Period:

Year One:

Service: _____

Description: _____

Price: \$ _____

Service: _____

Description: _____

Price: \$ _____

Service: _____

Description: _____

Price: \$ _____

*Attach additional Services/Description as needed

Year Two:

Service: _____

Description: _____

Price: \$ _____

Service: _____

Description: _____

Price: \$ _____

Service: _____

Description: _____

Price: \$ _____

Totally Yearly Firm Fixed Price for Completing Scope of Services as Noted for Additional Years 3, 4 and 5:

Year Three:

Service: _____

Description: _____

Price: \$ _____

Service: _____

Description: _____

Price: \$ _____

Service: _____
Description: _____
Price: \$ _____

Year Four:
Service: _____
Description: _____
Price: \$ _____

Service: _____
Description: _____
Price: \$ _____

Service: _____
Description: _____
Price: \$ _____

Year Five:
Service: _____
Description: _____
Price: \$ _____

Service: _____
Description: _____
Price: \$ _____

Service: _____
Description: _____
Price: \$ _____

Optional Services Offerings

Service: _____
Description: _____
Price: \$ _____

Service: _____
Description: _____
Price: \$ _____

Service: _____
Description: _____
Price: \$ _____

*Attach additional Services/Descriptions as needed