



**Chicago Teachers' Pension Fund**

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**REQUEST FOR PROPOSAL**

**BANKING SERVICES**

**No. FY18-0003**



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## I. SUMMARY

This Request for Proposal (“RFP”) is being issued by the Public School Teachers’ Pension and Retirement Fund of Chicago (“CTPF” or the “Fund”) to solicit proposals for banking services for CTPF member payments and vendor payments.

If you are interested in the proposed engagement, we welcome proposals from qualified Respondents. Respondents must satisfy the qualifications and requirements outlined herein.

## II. BACKGROUND

Established by the Illinois General Assembly in 1895 as the Public School Teachers’ Pension and Retirement Fund of Chicago, CTPF administers a multi-employer defined benefit public employee retirement fund. CTPF is administered in accordance with Illinois Compiled Statutes (ILCS) Chapter 40, Articles 1, 17, and 20.

CTPF is governed by a Board of Trustees made up of twelve (12) members. The Board of Trustees oversees the Fund’s benefit programs, approves all benefits, makes investment decisions, and provides general operational oversight.

For more information about the Fund, please visit [www.ctpf.org](http://www.ctpf.org).

## III. SCOPE OF WORK

CTPF is seeking proposals from qualified candidates for banking services to distribute pension payments to CTPF members and payments to CTPF vendors. The selected vendor would also potentially be tasked with providing an online payment portal for charter school employers to submit late fee payments and a second online portal for members to make various payments. In the event the incumbent vendor is not retained as a result of this RFP, CTPF requires the transition of service to the new vendor to occur on or, at the Fund’s discretion, about **January 1, 2019**.

Please describe any services or options not included in the scope of this engagement that your banking institution may provide the Fund in order to provide more complete and thorough services. The following information should be used to determine the scope of this project and provide applicable pricing for each requested category of banking services.

Currently CTPF processes, on average, 28,327 monthly Automated Clearing House (ACH) payments and 1,175 manual checks a month for member benefits payments, vendor payments and administrative expense processing. The average monthly dollar amount of these payments is \$117,458,416. Note: The average monthly dollar amount of the member payment component within this amount is \$116,681,974. There are approximately 54 checks received from various sources that are cleared, on average, per month.

The Member payroll payment processing cycle commences as follows:

- CTPF finance staff updates member records with direct deposit information, tax levies, W-4 information, stop payments for deceased members, and member instructions, such as a request to pick up a check.
- A pre-note file is produced based upon a pre-determined date by CTPF Finance Staff. Once that file is processed, any exceptions generated are resolved by CTPF staff from the Finance Department and Benefits Department. The resolution process is repeated until the pre-note file processes with no exceptions.
- The CTPF Finance Staff then works with the Benefits Staff to create the member pension payroll file. Once that file is audited, resolved, and balanced, it is sent to the current disbursements vendor 48 hours prior to payment on the first business day of each month. **Note: In that 48 hour window, the current disbursements vendor loans funds to CTPF for the member payroll until CTPF transfers funds from its Custodian Bank to fund the member payroll payments on the pension payroll disbursement date on the first business day of each month.**
- Three data files are currently generated by CTPF that facilitate the member pension payroll disbursement process: the check file, the ACH file, and the positive pay file.

Administrative expense payments, member rebate checks, and member lump sum payments are normally processed on a weekly basis. Incorporated within the administrative payments category is CTPF staff payroll which is processed on a bi-weekly basis. Charter school late fee payments are received either via check or ACH debit. The volume of those payments varies based on contributions submitted late from charter school employers. There are approximately 114 bills outstanding at this time.

#### **A. Vendor Qualifications and Contract Requirements:**

1. Banking services vendor with an extensive retail banking network to link CTPF payment processes to CTPF members' banking needs. The vendor will provide benefits and vendor disbursement services for the member payment processing cycle and the vendor payment cycle described herein and provide advice and check files per the required format through secure FTP or HTTP transmission protocols.
2. Ability to extend a temporary loan to CTPF for the window between the transmission of the Member payroll and actual funding of the Member payroll on the first business day of each month if funding from CTPF to the vendor is required prior to the first business day disbursement of member payroll.
3. If, in the course of its engagement by CTPF, the vendor has access to or will collect, access, use, store, process, dispose of, or disclose credit, debit, or other payment cardholder information, the vendor shall at all times remain in compliance with the Payment Card Industry Data Security Standard ("PCI DSS") and if applicable, Payment Application Data Security Standard ("PA DSS") requirements, including remaining aware at all times of changes to these standards and promptly implementing all procedures and practices that may be necessary to remain in compliance with these standards, including promptly notifying CTPF of its non-compliance, in each case, at vendor's sole cost and expense.

4. “Red Flag Rules” —any vendor of CTPF that handles, stores, or transmits personal identifying information must comply with the Federal Trade Commission’s Red Flag Rules. Please identify your company’s Red Flag Administrator and policies related to this regulation.
5. Ability to provide ACH and check reclaim services. When a CTPF member becomes deceased in the course of the payment disbursement process, CTPF needs to reclaim funds not owed to the deceased member in the current disbursements file, check payment file, or for payments previously disbursed.
6. Specifications on standard file formats for customer-provided data files.
7. CTPF has the following technology requirements for banking services:
  - Secure technology platform for transaction of CTPF transaction activity. It must adhere to industry best practices for disbursement services and online reporting.
  - Secure FTP or HTTP file transmission protocols for upload of data.
  - Positive Pay Fraud Protection Services.
  - ACH debit blocking services.
  - Secure online reporting facility that includes real time reporting of transaction history.
8. Respondents must describe how they handle general and critical errors, whether data or technical in nature. CTPF requires the ability to escalate matters, in particular critical errors, since there is a high risk of impacting member payroll and vendor payment processing as set forth in this RFP. Respondents must describe their standard support structure, how issues are prioritized, tracked, and resolved, as well as any other services that the Respondent offers so that impacts are avoided or minimized when errors do occur. Respondent must also provide documentation on all policies and procedures that impact the services requested.
9. The Respondent must provide documentation on the following:
  - How they prevent attacks and malware.
  - How they handle threats.
  - How they mitigate actual attacks and cyber-attacks.
  - Monitoring of suspicious activity.
  - What types of attacks do they have software installed to protect against.
  - The vendor’s security training.
10. The selected vendor at all times must be compliant with National Automated Clearing House Association (“NACHA”) rules and further describe their process for implementing NACHA rule changes and assisting customers with implementing those changes. The selected vendor will notify CTPF of changes in the NACHA rules at least three (3) months prior to the effective date of the change.
11. The selected vendor must establish and maintain demand deposit accounts for certain accounts in accordance with CTPF’s written instructions. Additionally, the accounts must be maintained by the selected vendor in accordance with applicable legal requirements and industry standards with respect to operations, security, reporting, and online access capabilities. The funds in the accounts must not be comingled with any other funds.

- 12.** The selected vendor shall provide automatic overdraft protection in the event that an overdraft occurs and shall not charge or penalize CTPF. CTPF will make every effort to assure that funds in the bank are equal to or in excess of the amount of payroll issued, however, in the event of an overdraft, all valid checks presented for payment and direct deposit transactions shall be paid by the selected vendor. Respondents should describe their policy on daylight overdrafts for individual accounts if the total balances of the CTPF's account in aggregate are positive.
- 13.** CTPF checks that are outstanding for more than 180 days are stale-dated. Respondents must explain how they perform stale-date control on each check presented for payment against CTPF's accounts. The purpose of these measures is to eliminate/reduce the likelihood of a fraudulent check with alterations or a check that has passed the legal stale date timeline under the Uniform Commercial Code from improperly paying against the accounts.
- 14.** The selected vendor must have procedures for addressing checks that must be rejected or cannot be negotiated properly including, but not limited to, forged checks, checks bearing forged or fraudulent endorsements, altered checks, counterfeit checks, checks presented more than once, stale-dated checks, misprinted checks, and checks that are reported as lost or stolen. Respondents must explain these procedures in detail, and indicate that if selected, the vendor will comply with normal industry standard fraud prevention measures as well as the following requirements:

Credit the appropriate account as soon as possible, but no later than five (5) business days after a claim or demand by CTPF. Provide notification of credit for stale-dated or forged/altered check claims on a daily basis and provide monthly reconciliation reports. Provide credit advices for stale-dated or forged/altered check claims with the daily bank statement. Credit the CTPF account pending the resolution of a disputed claim, and/or pay all interest including any back interest once the claim is resolved in the CTPF's favor. Respondents must explain how the interest will tie back to the individual claim in reports that the CTPF receives. Pay attorneys' and any other fees incurred, should the CTPF be required to initiate legal action to recover funds paid out by the bank on an improperly negotiated check.
- 15.** The selected vendor will be responsible for the creation of check images for archival storage and electronic or other technological means of access. The selected vendor must provide this in a manner that ensures the integrity of image production, storage, and access. The selected vendor will provide CTPF with the ability to print the front and back image on one page and allow for copying and pasting check images into Microsoft Word or Excel documents. The Respondent must indicate that if selected, the above requirements can be met.
- 16.** The selected Vendor must provide CTPF with an electronic paid file transmission (ACH transactions and checks) on a daily basis, and provide access to CTPF to on-line totals of checks paid. Credit and debit adjustments due to the accounts must be settled by the next reconciliation. The Respondent must indicate that it can comply with this time frame.
- 17.** CTPF would like to offer online payment processing via a secure internet gateway to members and employers for member payments (i.e. COBRA, Service Purchase Contracts, insurance, pension repayments, etc.) and, Charter School Late Fee Billing invoice payments. CTPF envisions

that the secure gateway for members would be accessible via the CTPF website which is currently being restructured. This is where the member's billing information will be securely housed. CTPF envisions that the Employer Charter School Late Fee billing would be accessible via the Employer Reporting System (ERS), the CTPF portal for Charter School Late Fee contribution payments. This is where the employer's billing information will be securely housed. Please respond to the following questions as they pertain to these services.

- a. Describe the vendor's solution to offer a secure internet gateway that allows users to set up online payment accounts?
- b. What service features can be added to the online user account? Please provide sample screen shots of these features.
- c. What payment features can be offered on these accounts? Describe the method to process each type of transaction.
  - i. One-time ACH transfers.
  - ii. Recurring ACH payments.
  - iii. One-time checking account payments.
  - iv. Recurring checking account payments.
  - v. Future-dated one-time payments.
  - vi. One-time savings account payments.
  - vii. Recurring savings account payments.
  - viii. Prohibit payments by credit, debit, or merchant card.
- d. Are all electronic documents, images, and customer information saved by your banking institution? If so, does CTPF have access to the customer information data (i.e. email addresses, phone numbers, etc.) that may be used to register for the online account? How can CTPF access this information in bulk to update its internal records?
- e. Please discuss options for customers to receive confirmation of their payment.
- f. If a customer forgets his or her username or password, what options are available for the customer to be reminded of his or her credentials or reset his or her password?
- g. Can a .txt payment file be sent to CTPF through secure FTP or HTTP transmission protocols on a daily basis?
- h. Can a .txt payment reject file be sent to CTPF through secure FTP or HTTP transmission protocols on a daily basis?
- i. Can a .txt file of reoccurring payments initiated file be sent to CTPF through secure FTP or HTTP transmission protocols on a daily basis?

**18.** Please describe your formal disaster recovery and business continuity plans in the event of an operational interruption or disaster. Include information such as: when was the plan last

reviewed and actually tested, the general location of alternate work sites, recovery time required, the point at which you would notify CTPF of an incident, and the effect moving to a backup site would have on fund availability and processing. Respondents must explain how often the CTPF's data will be backed up. Respondents must describe how much system downtime the CTPF can expect to experience in the event of an incident.

- 19.** The selected vendor must designate a Client Manager with overall responsibility for management of the services to be provided under the Contract. The Client Manager will identify specific contacts for particular areas, and will serve as an escalation point for matters that cannot be resolved by the individual contacts, but will also be available for direct contact as CTPF deems necessary. The contact list must contain individual contacts that are available for support and problem resolution on a 24/7 basis, and the name, telephone number and e-mail addresses for these individuals must be provided to CTPF. To facilitate daily CTPF payroll and related operations, the selected vendor must provide direct telephone numbers, fax and e-mail for the officer of the selected vendor's bank in charge of administering CTPF's accounts and the operations area of the bank in which the accounts are handled. The vendor must periodically provide an updated list of the names, email addresses and telephone numbers of the backup personnel in the appropriate department(s) whom CTPF will be able to contact if the primary officer of the selected vendor's bank in charge of administering the accounts is unavailable.
  
- 20.** The selected vendor must possess requisite experience and capability with transitioning functions that must occur at the commencement of the Contract to ensure the changeover is seamless, orderly, and presents no disruptions to CTPF's services, temporary or otherwise. The transition strategy work plan that must be provided with all proposals and must include, but not be limited to:
  - A detailed, written plan outlining specific transition activities or tasks and timeframes.
  - Setup of Accounts as applicable.
  - Training of CTPF staff.
  - Mapping and migration of all legacy data.
  - Specific reconciliation/closing-out details.

All proposals must demonstrate how entities plan, coordinate, and ensure that all phases of the transition to the selected vendor will be conducted and tested. The transition testing structure must include all scenarios that can be conceived of as possible system occurrences, including disaster recovery operations, in addition to simulating a 100 percent participation environment.

Respondents must describe all of the necessary processes that will be required of the existing vendor in order to effectuate a seamless transition to the selected vendor. The selected vendor must provide a list of any documents, files, or information it will need from the current vendor in order to have a successful transition. The selected vendor will be responsible for bearing all transition costs that may occur as a result of, including but not limited to, the conversion of existing documents, loading of files, etc.

The selected vendor must provide a dedicated Transition Manager to handle the entire transition, both logistically and technically. This person will work closely with CTPF personnel and must have sufficient ability within the selected vendor's organization to marshal any and all resources to ensure the transition is smooth and any issues are resolved in a timely manner.

At the end of the Contract, the selected vendor must provide outgoing transition services and cooperate fully with any subsequent vendor so that there is no disruption to any of the services described herein.

#### IV. TIMELINE

EVENT	DUE DATE
RFP Distribution	Tuesday, January 16, 2018
Written questions due from Respondents	Friday, February 16, 2018, 12:00 p.m. (CST)
Compilation of questions and answers posted to www.ctpf.org	Wednesday, February 21, 2018, 12:00 p.m. (CST)
RFP Due Date	Friday, March 2, 2018, 12:00 p.m. (CST)

#### V. CONTACT

Any questions concerning this RFP must be directed to:

Name(s)	Becky Z. Gonzales, Contract and Procurement Administrator
Address	Chicago Teachers' Pension Fund 203 North La Salle Street Suite 2600 Chicago, IL 60601-1210
Phone	312-604-1202
Email	gonzalesr@ctpf.org

## **VI. TERM OF ENGAGEMENT**

The term of the engagement will be governed by the negotiated contract or agreement, as limited by the Illinois Pension Code and CTPF's administrative rules. CTPF may, in its sole discretion, terminate the contract at any time during that term.

## **VII. SUBMISSION GUIDELINES**

In order to be considered for selection, proposals must be received via email, in PDF format, by Becky Gonzales at gonzalesr@ctpf.org no later than 12:00 p.m. (CST), on Friday, March 2, 2018. (Late submissions will be rejected as unresponsive). Paper submissions will be rejected as non-conforming. An email confirmation will be sent to the Respondent upon receipt of the proposal.

## **VIII. PROPOSAL CONTENT AND FORMAT**

All information requested in the RFP must be addressed in the Respondent's proposal. Proposals should provide a concise explanation of Respondent's qualifications and the proposed services to be rendered. Emphasis should be placed on completeness and clarity of content. Each proposal must be submitted in response to categories A through J outlined below and must be clearly labeled as such.

### **A. Cover Letter**

- a. Briefly state the Respondent's understanding of the work requested, the required time period, and a statement why the Respondent believes it is best qualified to perform the engagement. The letter should be signed by the representative of the Respondent authorized to contract on behalf of the Respondent.

### **B. Title Page**

- a. Date
- b. Subject
- c. Respondent's name and chief executive officer (or the equivalent)
- d. Respondent's address
- e. Respondent's website address
- f. Respondent's phone number
- g. Respondent's fax number
- h. Contact's name
- i. Contact's title
- j. Contact's phone number
- k. Contact's email address

### **C. Table of Contents**

### **D. Project Plan and Contract Requirements**

- a. Address each of the banking services, vendor qualifications, and contract requirements outlined in Section III. Scope of Work and describe the project methodology that will be employed.
- b. Indicate the location of the office from which the work on this engagement is to be performed.
- c. Provide a percentage break down of how much of the engagement will be performed on your site, CTPF's site, or remotely.
- d. Identify tasks that will be performed by your banking institution and tasks that will be performed by CTPF's staff.
- e. Provide a timetable, for each banking service requested, including the requirements and a plan for the transition of current service, complete with estimated hours and completion dates.
- f. The Respondent will provide a mapping of the branch banking network for the Chicagoland area, Illinois, and nationwide for their bank.

**E. Billing**

- a. State any special considerations with respect to billing or payment of fees and expenses that Respondent offers and that you believe would differentiate your banking institution from other proposals and make your services more cost effective to the Fund.
- b. Provide a separate breakout of costs for transition of current disbursement services and any credits that would be applied against those costs.
- c. Provide a separate breakout of costs for online payment services for receiving payments for charter school late fee payments.
- d. CTPF expects the lowest rate charged by Respondent for its governmental and non-profit clients. If for any reason Respondent is unwilling or unable to charge the lowest rate, please explain why.
- e. The billing rate will be fixed for the term of this engagement.

**F. Banking Institution's Background, Qualifications, and Experience**

- a. Briefly describe Respondent's background, history, and ownership structure, including any parent, affiliated or subsidiary company, and any business partners.
- b. Provide the size of the banking institution. Identify the key personnel proposed for the CTPF engagement, emphasizing specific experience on contracts similar in scope to the requirements of this RFP. Describe his or her position, current responsibilities, areas of expertise, experience, education, professional designations, and memberships.
- c. Provide the number of years that the banking institution and any identified individuals have been providing the services requested in this RFP.
- d. Provide details on your banking institution's employee benefit industry experience/expertise.
- e. Indicate the number and nature of part-time professional staff to be employed in this engagement.
- f. Will your banking institution use outside contractors (subcontractors) for this engagement? If so, what confidentiality agreement is in place to protect sensitive information from disclosure? What allocation of the scope of services will be assigned to outside contractors (subcontractors)?

- g. Indicate Respondent's due diligence process in hiring, evaluating, and monitoring its staff and contractors, as applicable.
- h. List any known professional or personal relationships Respondent or its employees or contractors may have with individual CTPF Board members and/or Fund staff.
- i. Identify any potential or actual conflicts of interest you have in providing services to CTPF. State whether you have ever represented CTPF, the City of Chicago, the Chicago Board of Education ("Chicago Public Schools" or "CPS"), the Chicago Teachers' Union ("CTU"), the Retired Teachers' Association of Chicago ("RTAC"), the Chicago Principals and Administrators Association ("CPAA"), any Chicago charter school, or any employee group or trade organization related to the aforementioned entities. If so, please state the name of each such client or former client, contact information, and the nature and time frame of such representation. In providing such information you consent to and agree to release CTPF from any liability that may result from contacting such client(s) and communicating with such client(s) about your prior engagements, and soliciting an opinion regarding the work performed for such reference. In addition, please state how you intend to resolve any potential or actual conflict of interest.
- j. Identify all public sector or ERISA fund clients who have terminated their working relationship with you in the past five (5) years and provide a brief statement of the reason(s) for the termination. Provide each client's contact information. You consent to and hereby release CTPF from any liability that may arise from contacting your former client(s) and communicating with them about the work you performed and the reason for your termination.

**G. Insurance, Liability, Confidentiality, and Litigation**

- a. What assurances can you provide that your banking institution will not be subject to cyber-attacks? Describe security and protection measures.
- b. It is expected that the selected banking institution will have adequate quality control procedures in place to guarantee the accuracy of the work performed. Please describe your quality assurance procedures.
- c. Please describe the levels of your professional liability insurance coverage for client security breaches (cyber risk) and any fiduciary or professional liability insurance your banking institution carries. Is the coverage on a per client basis or is the dollar figure applied to the institution as a whole? List the insurance carriers.
  - i. What limitation on liability, if any, do you impose through your contract? The banking institution must not seek to unreasonably limit their liability for negligence.
  - ii. Are you bonded?
  - iii. Does coverage for liability, due to your negligence, continue for a period following termination of the contract? If so, for how long?
  - iv. Identify the amount, type of coverage, deductible, and any coinsurance.
- d. What is the institution's policy on confidentiality during and after the engagement?
- e. Has your banking institution ever been involved in a lawsuit in the last ten (10) years involving any services provided by the bank? If so, provide details, including description of the lawsuit, dates, and outcomes.
- f. Has your banking institution, related entities, affiliates, principals, and/or officers been a party in any material civil or criminal litigation, or subject to investigation,

disciplinary action, or regulatory review, whether or not directly related to services requested by this RFP? If so, provide details, including dates and outcomes.

- g. Describe any anticipated litigation, with \$10 million or more in alleged claims or damages, in which your banking institution may be involved.

**H. Sample Contract or Agreement**

- a. Provide a sample contract/engagement letter for the services proposed by your banking institution.

**I. References**

- a. Please provide three references who are clients for whom you have performed work similar to that requested in this RFP. Include the reference name, title, entity, address, telephone number, and description of the services provided.
- b. In providing such information, you consent to and hereby release CTPF from any liability that may arise from contacting your references and communicating with such references about your prior engagements, and soliciting an opinion regarding the work performed for such reference.

**J. Exhibits and Attachments**

- a. Include additional information or exhibits appropriate for CTPF's consideration under this category. The disclosures requested under Section XXIII of this RFP and corresponding completed EEOC chart (XXIII (vi)) shall be included as exhibits under this category.

## **IX. WRITTEN QUESTIONS**

Prospective Respondents who have questions regarding this RFP may email the contact listed above by the due date listed in the timeline above for written questions. Please reference "Banking Services RFP Questions" in the subject line of the email. The questions (without identification of the questioner) and the answer will be posted on the CTPF website according to the above timeline.

## **X. PROPOSAL EVALUATION**

The following guidelines will be used to analyze and evaluate all proposals. CTPF reserves the right to evaluate all factors deemed appropriate, whether or not such factors have been stated in this section.

**A. QUALIFICATIONS**

In order to be selected for this engagement, the Respondent must demonstrate that it can meet the requirements of the RFP and the scope of work contained in the RFP.

Failure to provide this information may result in a Respondent's proposal being declared non-responsive.

## **B. REVIEW OF PROPOSALS**

- a. An Evaluation Committee consisting of Fund Trustees and/or staff will evaluate all proposals received.
- b. The Committee will determine if Respondents meet the mandatory requirements listed below:
  - i. The Respondent has no conflict of interest with respect to any other work performed by the Respondent.
  - ii. The Respondent must demonstrate that it can meet the requirements of the RFP and the Scope of Work contained in this RFP.
  - iii. The Respondent must adhere to the instructions in this RFP.
  - iv. The Respondent must follow the proposal content and format outlined in Section VIII.
  - v. The Respondent must provide all disclosures requested in Section XXIII as a clearly marked exhibit.
- c. The Committee members will individually evaluate and score each proposal based on:
  - i. Qualifications to perform the services requested;
  - ii. Price;
  - iii. Responses to the Proposal Content in Section VIII; and
  - iv. Presentation to the Committee.
- d. The Committee will evaluate bids as a whole, including the proposal content, presentation, price, and reference input.

Any contract award is ultimately a decision of the Board of Trustees and is not required to be based on the evaluations or scoring by the Evaluation Committee.

This RFP is not an offer of a contract. Acceptance of a proposal does not commit CTPF to award a contract to any Respondent, even if the Respondent satisfied all requirements stated in this RFP. Publication of this RFP does not limit CTPF's right to negotiate for the services described in this RFP. CTPF reserves the right to choose to not to enter into an agreement with any of the Respondents to this RFP.

The information submitted in response to this RFP becomes the exclusive property of CTPF.

## **XI. FINALIST PRESENTATIONS**

After the proposal submission due date, CTPF will contact the top-ranked Respondents to set up a meeting, approximately one hour in length, with the RFP Evaluation Committee either on-site at the CTPF offices, 203 N. La Salle, via videoconference, or by telephone. At these meetings, Respondents must be prepared to provide a brief presentation on their banking services as outlined in their proposal and answer any questions regarding their proposal. Additionally, Respondents may be invited to present to the CTPF Board of Trustees and/or a Board Committee.

At the discretion of the Board of Trustees, top-ranked Respondents may not be asked to present to the Evaluation Committee; rather, such Respondents may instead be asked to present directly to the Board of Trustees or to a Board Committee.

## **XII. RFP WITHDRAWAL OR MODIFICATION**

Proposals may be withdrawn or modified by a written or email request prior to the RFP due date. CTPF may, by written notice to all Respondents, cancel, postpone, or amend the RFP prior to the due date. If CTPF decides that the revision or amendment will require additional time for response, the due date will be extended for all Respondents.

## **XIII. INCOMPLETE PROPOSALS**

CTPF reserves the right to request additional information or to reject the proposal outright if the information provided in a Respondent's proposal is deemed to be insufficient for evaluation. False, incomplete, or unresponsive statements in connection with a proposal may be sufficient cause for its rejection. The evaluation and determination of the fulfillment of the requirements will be determined by CTPF and such judgment shall be final.

Any proposal received at the designated email after the required time and date specified for receipt shall be considered late and non-responsive. Late proposals will not be evaluated for award.

Proposals submitted shall be valid for one hundred twenty (120) days following the closing date noted above. CTPF and the Respondent may extend this period by mutual written agreement. If a solicitation is cancelled before the due date, the offer will be returned to the Respondent who submitted the response.

## **XIV. SELECTION OF WINNING BID**

Award of the contract resulting from this RFP will be based upon the most responsive Respondent whose offer is the most advantageous to CTPF in terms of cost and other factors as specified in this RFP.

After evaluation of the proposals and approval by CTPF, all Respondents will be notified of the result. Contract negotiations will commence with the selected Respondent.

## **XV. REIMBURSEMENT FOR PROPOSAL PREPARATION**

CTPF will not reimburse any expenses incurred in responding to this RFP including, but not limited to, the costs of preparing the response, providing any additional information, or making a presentation or presentations. CTPF reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

## **XVI. QUIET PERIOD**

During the RFP review period (which begins on the date the RFP is posted on CTPF's website) to and until a contract is executed, there shall be no communication between Respondents and Board members or Fund staff regarding any product or service related to the search. Respondents may communicate with the Contract and Procurement Administrator or her designee solely regarding administrative questions relating to the procurement process. All other questions must be asked and will be responded to through the RFP question and answer process.

The quiet period shall not prevent customary respondent due diligence, initiated by CTPF, or communications with a current service provider who happens to be a candidate, provided that any such communication must be in the ordinary course of business and necessary for the provision of current services provided by such service provider. Discussions relating to the pending selection are strictly prohibited.

## **XVII. RFP LIMITATIONS AND CONDITIONS**

- A. This RFP does not commit CTPF to award an agreement or procure services of any kind whatsoever. CTPF reserves the right, in its sole discretion, to negotiate with any or all applicants considered, or to postpone, delay, or cancel this RFP, in whole or in part. CTPF may terminate discussions, in its sole discretion, or select another finalist. CTPF reserves the right to award an agreement or agreements based upon the proposals received. The Respondent should not assume that there will be an opportunity to alter or amend its proposal at a later date or at the time of contract negotiations.
- B. CTPF may request that Respondent clarify the content of the proposal. Other than for purposes of clarification, no Respondent will be allowed to alter or amend its proposal after the RFP due date.
- C. All materials submitted in response to this RFP shall be the sole property of CTPF. CTPF reserves the right to use any and all ideas submitted in the proposals.
- D. CTPF reserves the right to reject or cancel in whole or in part at any time, any and all proposals received; to waive minor irregularities; to negotiate in any manner necessary to best serve CTPF and to make a whole award, multiple awards, a partial award, or no award.
- E. CTPF reserves the right to reject any or all offers and to discontinue this RFP process without obligation or liability to any potential vendor.
- F. CTPF reserves the right to reject the proposal of Respondent who is not currently able to perform the contract. CTPF reserves the right to award a contract, if at all, to the banking institution which will provide the best match to the requirements of the RFP and the needs of the Fund, which may not be the proposal offering the lowest fees. CTPF may take into consideration any factor it deems relevant, including but not limited to, past experience, financial stability, the ability to perform the requirements as set forth in this RFP, or previous failure to perform similar contracts in accordance with the terms, or in a timely manner, and other relevant criteria. CTPF is not required to accept for consideration any proposal that fails to address or does not comply with each of the requirements or the criteria set forth in this RFP.

- G. CTPF reserves the right to award a contract on the basis of initial offers received, without discussions or requests for best and final offers. Conversely, CTPF reserves the right to request best and final offers.
- H. Any contract award is ultimately a decision of the Board of Trustees and is not required to be based on the evaluations or scoring by the Evaluation Committee.
- I. If Respondent submits a proposal, CTPF reserves the right to conduct its own due diligence and to undertake such investigations as it deems necessary to determine Respondent's satisfaction of the qualifications and ability to furnish the required services. Upon request, Respondent agrees to provide any and all information for this purpose.
- J. CTPF reserves the right to request additional documentation or information from Respondents. Requested information may vary by Respondent. CTPF may ask questions of any Respondent to seek clarification of a proposal to ensure the Respondent understands the scope of the work or other terms of the RFP.
- K. CTPF does not guarantee or commit to contracting any specific number of projects to Respondent during the life of the agreement.
- L. Written approval from CTPF will be required for any news releases regarding the award of contract.

## **XVIII. MINORITY AFFILIATION**

CTPF is an equal employment opportunity employer, and endeavors to increase the utilization of vendors who are MWDBE companies. Please provide any information relative to your institution's minority Firm affiliations or minority Firm participation in the engagement, and a MWDBE breakdown for your institution.

## **XIX. WAIVER OF CLAIMS**

By submitting a proposal, the Respondent agrees to waive any claim it has or may have against CTPF, its Board of Trustees, and/or CTPF officers, employees, and agents arising out of or in connection with the administration, evaluation, or recommendation of any proposal, the waiver of any requirements under the RFP, the acceptance or rejection of any proposal, and/or the award of the contract.

## **XX. CONTRACT NEGOTIATIONS**

Once the Respondent(s) has been selected to perform the services, the parties will begin negotiating the terms of the engagement. CTPF does not anticipate or desire a lengthy negotiation. CTPF may, in its sole discretion, terminate negotiations and proceed to engage another party for such services, whether or not that party was a Respondent, if the parties are unable to expediently negotiate an agreement or reach a bargaining impasse.

## **XXI. NOTICE REGARDING ILLINOIS PUBLIC RECORDS LAWS**

The proposal that you submit will be subject to the Illinois Freedom of Information Act (5 ILCS 140/) "FOIA Act"). The FOIA Act provides generally that all records in the custody or possession of a public body are presumed to be open to inspection or copying. Any public body that asserts that a record is exempt from disclosure has the burden of proving by clear and convincing evidence that such record is exempt from disclosure. CTPF will determine, in its sole discretion, whether the materials are subject to public disclosure, if a request is made in accordance with the FOIA Act for materials submitted in response to this RFP. If CTPF denies a public records request based on a Respondent's representation that such information is proprietary, privileged, and/or confidential, Respondent, by submission of a response to this RFP making these proprietary, privileged, and/or confidential assertions, agrees to reimburse CTPF for, and to indemnify, defend, save, and hold harmless CTPF, its officers, Trustees, fiduciaries, employees, and agents from and against any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses including, without limitation, attorneys' fees, expenses and court costs of any nature whatsoever (collectively, "Claims") arising from or relating to CTPF's complete or partial FOIA denial based on Respondent's assertions. By submitting your proposal, you further agree to indemnify, save, and hold CTPF harmless from and against any and all Claims arising from or relating to CTPF's complete or partial disclosure of your proposal if CTPF determines, in its sole discretion, that such disclosure is required by law, or if disclosure is ordered by a court of competent jurisdiction.

## **XXII. MOST FAVORED TERMS**

All prices, terms, warranties, and benefits offered by the Respondent in its proposal must be comparable or better than those offered by the Respondent in agreements with substantially similar governmental or quasi-governmental clients. Should the Respondent make available more favorable terms to a substantially similar governmental or quasi-governmental client with respect to the types of services set forth in Respondent's proposal, Respondent will make such prices, terms or conditions available to CTPF.

## **XXIII. DISCLOSURES**

All Respondents must provide the written disclosures requested below in categories (i) through (ix) as part of their RFP responses. A response must be provided for each disclosure category below; Respondents should use "none" or "not applicable" as appropriate. Your disclosures must be clearly labeled as an exhibit to your proposal.

- (i) The Respondent must disclose, labeling each category, separately: (a) any entity that is a parent of, or owns a controlling interest in, the Respondent, (b) any entity that is a subsidiary of, or in which a controlling interest is owned by, the Respondent, (c) any persons or entities who have an ownership or distributive income share in the Respondent that is in excess of seven and one-half percent (7.5%), and (d) any persons who serve as executive officers of the Respondent, including their titles.

- (ii) The Respondent must disclose, separately: (a) any direct or indirect payments in excess of \$1,000 per calendar year within the prior five (5) calendar years made to any community or not-for-profit organization relating to public education by: (i) the Respondent, (ii) any executive officer of the Respondent, (iii) any parent entity of the Respondent, (iv) the executive officers of any entity that is a parent of, or owns a controlling interest in, the Respondent, and (v) any Shareholder of Respondent with ownership or a distributive income share in the Respondent that is in excess of seven and one-half percent (7.5%); (b) any formal involvement with any community or not-for-profit organization relating to public education by any person or entity identified in (a) above; and (c) any involvement as a member or director of a charter school that contributes to the Fund of any person or entity identified in (a) above. For purposes of this Section XXIII (ii) and (iii), "Shareholder" shall mean any person who has an ownership or distributive income share in the Respondent.
- (iii) The Respondent must disclose if: (a)(i) any executive officer of the Respondent, (ii) any parent entity, (iii) the executive officers of any entity that is a parent of, or owns a controlling interest in, the Respondent, and (iv) any Shareholder of the Respondent with ownership or a distributive income share in the Respondent that is in excess of seven and one-half percent (7.5%) has given any direct or indirect financial support in excess of \$1,000 per calendar year within the prior five (5) calendar years or (b) whether the persons or entities identified in (a) above have had any formal involvement within the prior five (5) calendar years with a community or not-for-profit organization with a central purpose of influencing public policy related to budgetary and fiscal policy which directly or indirectly relates to the continued availability and long-term viability of defined benefit pensions in the public sector, to education policy, or to retirement security policy.

For the purposes of this disclosure, an organization has the "central purpose" of influencing policy if it is understood with the exercise of reasonable due diligence, including but not limited to the examination of the organization's IRS filings and other publicly-available statements of purpose, that the organization intends to affect policy or engage in lobbying or other advocacy activity. A Respondent is not required to disclose contributions to organizations that engage in such activities in furtherance of providing medical research, aid to the poor, disaster relief, or other such tangible goods or service. The Trustees have determined that the following organizations presently fall under this required disclosure:

American Enterprise Institute,  
American Legislative Exchange Council,  
Brookings Institution,  
California Common Sense,  
California Policy Center,  
Civic Committee of the Commercial Club,  
Heritage Foundation,  
Howard Jarvis Taxpayers Association,  
Illinois Municipal League,  
Illinois Policy Institute,  
Independent Institute,

Jessie Ball DuPont Fund,  
Laura and John Arnold Foundation,  
Mackinac Center for Public Policy,  
Manhattan Institute for Policy Research,  
Massachusetts Taxpayers Foundation,  
Mercatus Center at George Mason University,  
National Council on Teacher Quality,  
National Institute for Labor Relations Research,  
Nelson Rockefeller Institute of Government,  
National Taxpayers United of Illinois,  
Pioneer Institute,  
R Street Institute,  
Reason Foundation,  
Show Me Institute,  
State Policy Network,  
StudentsFirst,  
Taxpayers for Sustainable Pensions,  
Taxpayers United of America,  
Teacherspensions.org,  
Texas Public Policy Foundation,  
The Future of Freedom of Foundation,  
The Pew Charitable Trust,  
UnionWatch,  
Urban Institute,  
Wyoming Liberty Group, and  
Any state or local affiliates or chapters of the above organizations.

- (iv) The Respondent and any parent, controlling entity, subsidiary, or affiliate must disclose any direct or indirect financial relationships, transactions, or consulting agreements with the Chicago Board of Education entered into within the prior five (5) calendar years. Any such direct or indirect financial relationships, transactions, consulting agreements, or consulting-related contracts with the Chicago Board of Education entered into on or after the execution of an agreement shall be identified in an amended Respondent Disclosure within thirty (30) calendar days of any new relationship, transaction, investment, agreement, or contract with the Chicago Board of Education.
- (v) The Respondent must disclose the names and addresses of any sub-vendors and the expected amount and/or percentage of money each will receive under the agreement if authorized by the Fund.
- (vi) The total number of Respondent's staff. The number of Respondent's staff and percentage of its staff, broken out separately for each category, who are (1) a minority person, (2) a female, or (3) a person with a disability. This information must be provided using the EEOC chart available on CTPF's website. Supplemental information to the EEOC chart is welcome.
- (vii) The number of current contracts for investment services, consulting services, and professional and artistic services that the Respondent has with a (1) minority owned

business, (2) female owned business, or (3) business owned by a person with a disability.

- (viii) The number of current contracts for investment services, consulting services, and professional and artistic services that the Respondent has with a business other than (1) a minority owned business, (2) a female owned business, or (3) a business owned by a person with a disability, under which, while the business is not owned by one of the above categories, where more than fifty percent (50%) of services performed pursuant to the contract are performed by (1) a minority person, (2) a female, or (3) a person with a disability.
- (ix) The Respondent shall agree to annually disclose various EEO data and diversity of vendor's contracts as required by the Fund.

#### **XXIV. AGREEMENT AND APPROVAL**

The Fund may select one or more firms to provide the services described herein.

To the extent one or more firms are selected, CTPF will work to negotiate an agreement with the selected firm (s), giving due consideration to the stipulations in the Firm's(s') submitted standard agreement.

The selected firm(s) shall be required to assume full responsibility for all services and activities offered in its/their proposal whether or not provided directly. Further, CTPF will consider the selected firm(s) to be the sole point of contact with regard to contractual matters, including payment of fees.

The selected firm(s) and its/their personnel, including subcontractors, shall treat any and all information provided by CTPF as confidential and is/are prohibited from using that information for any other purposes than those provided by contract, without CTPF's express written consent.

The selected firm(s) shall not use a subcontractor without CTPF's express written consent. All terms and conditions of a contract with the selected firm(s) shall be equally binding on any subcontractors.

The selected firm(s) shall meet specific performance standards established during the contract negotiation process. The approved project schedule, specifying agreed upon, significant milestone events, and a project completion date, shall be incorporated into the contract as projects are identified and assigned to the successful Respondent(s) by CTPF.