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# DEFERRED COMPENSATION PLAN BOARD REPORT 05-18



Date: May 10, 2005

To: Board of Deferred Compensation Administration

From: Staff

Subject: Request for Proposal – New Template & RFP for Investment Management Services

Recommendation:

That the Board of Deferred Compensation Administration receive and file the following information regarding progress towards creating a new Request for Proposal (RFP) template.

Discussion:

As a result of discussion at the Board's April 19, 2005 meeting regarding the Request for Proposal (RFP) for investment management services, staff has developed some concepts for improving the design and review associated with RFP preparation. By way of background, most divisions of the Personnel Department presently utilize a model RFP template developed by the Department in conjunction with certain staff of the City Attorney's Office. Since the Deferred Compensation Plan has separate City Attorney staff dedicated to the Plan, Deputy City Attorney Richard Bobb recently provided staff with a separate RFP template used by his section.

In reviewing both templates, staff's conclusion is that there are positive features of both templates, as well as areas where certain improvements can be made. As a result, staff has discussed with Mr. Bobb working jointly to develop a new model RFP template.

In staff's view, the new template would begin with the objective of putting "user-friendliness" first. This user-friendliness would be from three perspectives: (1) the RFP analyst; (2) the reviewer; and (3) the proposer. The model would have the following goals:

- More user-friendly in preparation
- More user-friendly to bidders in terms of clarity of requirements & process
- More efficient in the draft review process
- Economical w/respect to time and materials
- Adequately protects the City's interests

In addition, the model would be governed by the following principles:

- Provide information of primary interest to vendors (the services being sought and proposal questionnaire) at the beginning of the document;
- Break each RFP into sections based on a scale of the degree to which modification is going to be required, from least to greatest;
- Reduce or eliminate the potential for certain “fill-in-the-blank” types of modifications to be overlooked by ensuring they’re combined into common sections;
- Require definition of evaluation criteria/weightings to be done before the RFP is issued, including standardizing the questionnaire format and having it tied in precisely to the evaluation factors;
- Allow electronic issuance and submission to reduce paper and expense.

Below is a broad outline of how a new model RFP template might look. Note that the RFP has been broken into discrete sections and placed in order of (a) greatest to least modification required and (b) logical order of interest to the potential bidder. Staff is also attempting to instill some coherence into the review process to eliminate some of the current redundancies, with the goal of making that review process faster and more efficient.

<b>MODEL RFP</b>				
<b>RFP Section</b>	<b>Section Number</b>	<b>Who Prepares</b>	<b>Who Reviews</b>	<b>When Modified</b>
<b>Services and Evaluation Factors</b>				
Introduction & Background (to include general statement of services being sought, due date, reference to pre-bid conference, program background)	1	Program Staff	Staff in functional chain of command, including Board	Always
Response Questionnaire (to include ALL items (sans Standard Provisions forms) required of the proposer, including information related to specific services, listing of references, acknowledgments and stipulations, etc.	2	Program Staff	Staff in functional chain of command, including Board	Always
Evaluation Process (to include evaluation criteria and weightings, as well as description of review process, appeals, etc.	3	Program Staff	Staff in functional chain of command, including Board	Always
<b>Standard &amp; General Provisions</b>				
General Terms & Conditions	4	City Attorney	n/a	Rarely
Standard Provisions	5	City Attorney	n/a	Rarely
<b>Standard &amp; General Provisions</b>				
Checklist & Forms (to assist proposer in ensuring that all required documents have been submitted and submitted properly)				

Staff has already made substantial progress on this project and believes it will be able to return to the Board at its June 21 meeting with a revised draft RFP for investment management services incorporated into the new model template.

Submitted by: \_\_\_\_\_  
Steven Montagna

Approved by: \_\_\_\_\_  
Maryanne Keehn