

**MARYLAND STATE RETIREMENT AGENCY
120 E. BALTIMORE STREET
BALTIMORE, MARYLAND 21202**

REQUEST FOR PROPOSALS (RFP)

SOLICITATION NO. SRA 11-07

FOR

EXECUTIVE SEARCH SERVICES



ISSUE DATE: November 10, 2010

NOTICE

Prospective Offerors who have received this document from www.eMarylandMarketplace.com, or who have received this document from a source other than eMarylandMarketplace, and who wish to assure receipt of any changes or additional materials related to this RFP, should frequently monitor www.eMarylandMarketplace.com

Minority Business Enterprises are encouraged to respond to this solicitation.

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VENDOR COMMENTS

In order to help us improve the quality of State proposal solicitations, and to make our procurement process more responsive and business friendly, we ask that you take a few minutes and provide comments and suggestions regarding the enclosed solicitation. Please fax this completed form to the attention of Cathie L. Nash at (410) 468-1704. Thank you for your assistance.

Solicitation Number: SRA 11-07, entitled: Executive Search Services

If you have responded with a "no bid", please indicate the reasons below:

- Other commitments preclude our participation at this time.
- The subject of the contract is not something we normally provide.
- We lack experienced in the work/commodities required.
- The scope of services is beyond our current capacity.
- We cannot be competitive. Please explain in Remarks section.
- The specifications are either unclear or too restrictive. Please explain in Remarks section.
- Bid/proposal requirements, other than specifications, are unreasonable or too risky. Please explain in Remarks section.
- Time for completion is insufficient.
- Start-up time is insufficient.
- Bonding/insurance requirements are prohibitive. Please explain in Remarks section.
- Doing business with Government is simply too complicated.
- Prior experience with State of Maryland contracts was unprofitable or otherwise unsatisfactory. Please explain in Remarks section.
- Other: _____

If you have submitted a bid or proposal but wish to offer suggestions or express concerns, please use the Remarks section below:

Remarks: _____

Offeror Name: _____
Date: _____
Contact Person: _____ Telephone: _____
Fax: _____ E-mail: _____
Address: _____

KEY INFORMATION SUMMARY SHEET

RFP Title:	Executive Search Services
RFP Number:	SRA 11-07
RFP Issue Date:	November 10, 2010
RFP Issuing Agency:	Maryland State Retirement Agency (Agency)
Send Questions, in writing via email, to:	procurement@sra.state.md.us Attention: Cathie L. Nash
Procurement Officer	Cathie L. Nash cnash@sra.state.md.us Office Phone Number: (410) 625-5656 Office Fax Number: (410) 468-1704
Proposals are to be sent to:	Maryland State Retirement Agency 120 East Baltimore Street, Room 1406 Baltimore, Maryland 21202 Attention: Cathie L. Nash
Contract Manager:	R. Dean Kenderdine dkenderdine@sra.state.md.us Office Phone Number: (410) 625-5601 Office Fax Number: (410) 468-1710
Closing Date and Time:	December 6, 2010 at 2:00 pm (Local Time)

NOTICE:

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SECTION 1 GENERAL INFORMATION

1.1 Summary Statement

The Maryland State Retirement Agency is issuing this Request for Proposals (RFP) to obtain a single qualified executive search firm to locate, interview, and assist in presenting candidates to serve as the Agency's Chief Investment Officer (CIO) as further described in this RFP.

1.2 Abbreviations and Definitions

For purposes of this RFP, the following abbreviations or terms have the meanings indicated below:

- 1.2.1 **ACCOUNT MANAGER** means the individual identified by the Contractor as the primary contact for the Agency in the management of the Contract issued pursuant to this RFP.
- 1.2.2 **AGENCY** means the Maryland State Retirement Agency.
- 1.2.3 **BOARD** means the Board of Trustees for the Maryland State Retirement and Pension System.
- 1.2.4 **CIO** means the Chief Investment Officer for the Agency.
- 1.2.5 **COMAR** means the Code of Maryland Regulations.
- 1.2.6 **CONTRACT** means the contract to be entered into pursuant to this RFP.
- 1.2.7 **CONTRACT MANAGER** means the individual identified by the Agency as the primary contact for the Contractor in the management of the Contract issued pursuant to this RFP.
- 1.2.8 **CONTRACTOR** means the Offeror who enters into the Contract with the Agency pursuant to this RFP.
- 1.2.9 **DAILY CONTACT** means the individual identified by the Contractor as the primary contact for the State for communications related to the day-to-day administration of the Contract.
- 1.2.10 **LOCAL TIME** means time in the Eastern Time zone as observed by the State of Maryland.
- 1.2.11 **MBE** means a Minority Business Enterprise that is certified as such by the Maryland Department of Transportation.
- 1.2.12 **OFFEROR** means a vendor who responds to the RFP by submitting a proposal to provide the requested services.
- 1.2.13 **RFP** means this Request for Proposals for Executive Search Services for the Maryland State Retirement Agency.
- 1.2.14 **SERVICES** means the executive search services described in this RFP and to be provided under the Contract.
- 1.2.15 **STATE** means the State of Maryland.
- 1.2.16 **SRA** means the Maryland State Retirement Agency.
- 1.2.17 **SUBCONTRACTOR** means an organization or entity that the Offeror plans to utilize to provide or perform a portion of the services requested in this RFP.
- 1.2.18 **SYSTEM** means the Maryland State Retirement and Pension System.

1.3 Contract Type

The contract that results from this RFP shall be a Fixed Price Contract as per COMAR 21.06.03.02.A (2).

1.4 Contract Duration

The Contract resulting from this RFP, if any, shall be for a period not to exceed 24 months beginning on or about January 3, 2011 and ending on December 31, 2012. There are no renewal options.

1.5 Procurement Officer/Contract Manager

The sole point of contact at the Agency for purposes of this RFP, prior to the award of any contract, is the Procurement Officer identified below:

Procurement Officer:

Cathie L. Nash
Maryland State Retirement Agency
120 East Baltimore Street, Room 1406
Baltimore, Maryland 21202
Telephone #: (410) 625-5656
Fax #: (410) 468-1704
email: cnash@sra.state.md.us

The individual responsible for administration and management of the Contract issued pursuant to this RFP shall be the Contract Manager identified below:

Contract Manager:

R. Dean Kenderdine
Executive Director
Maryland State Retirement Agency
120 East Baltimore Street, 16th Floor
Baltimore, Maryland 21202
Telephone#: (410) 625-5601
Fax #: (410) 468-1710
email: dkenderdine@sra.state.md.us

The Agency may change the Procurement Officer and/or the Contract Manager at any time during the pendency of the Contract by notice to the Contractor.

1.6 Pre-Proposal Conference

No Pre-Proposal Conference will be held for this procurement.

1.7 Use of eMaryland Marketplace

eMaryland Marketplace (www.emarylandmarketplace.com) is a free electronic commerce system administered by the Maryland Department of General Services. The RFP, associated materials, and all other solicitation related material will be provided only via eMaryland Marketplace.

This means that all such information is immediately available to subscribers of eMaryland Marketplace. All subscribers will receive solicitation notifications as well as solicitation update/change order notifications.

In order to receive a Contract award, a Contractor must be registered on eMaryland Marketplace. Information about eMaryland Marketplace can be found on the website at www.emarylandmarketplace.com.

1.8 Questions

Questions will be accepted from prospective Offerors. All questions must be submitted in writing via email to procurement@sra.state.md.us prior to 4:00 p.m. on November 18, 2010. Please insert "SRA 11-07 (Questions)" into the subject heading of the email. Answers to questions received will be posted

on www.emarylandmarketplace.com. Questions received after 4:00 p.m. on November 18, 2010 will be answered only if time permits and at the sole discretion of the Procurement Officer.

1.9 Proposals Due (Closing) Date

An unbound original and five (5) bound copies of each proposal (technical and financial), separately sealed, must be received by the Procurement Officer, at the address listed in Section 1.5 by 2:00 p.m. (local time) on December 6, 2010 in order to be considered. One (1) electronic version of the Technical Proposal, on a CD and in MS Word format, must be enclosed with the original Technical Proposal. One (1) electronic version of the Financial Proposal, on a CD and in MS Word or Excel format, must be enclosed with the original Financial Proposal. Offerors must ensure that the CDs are labeled with the RFP title, RFP number, Offeror name, and proposal type (Technical or Financial) and are packaged with the original copy of the appropriate proposal (Technical or Financial).

Requests for extension of this closing date or time will not be granted. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt by the Procurement Officer. Except as provided in COMAR 21.05.03.02F, proposals received by the Procurement Officer after the time established in this section of this RFP will not be considered. Proposals submitted by email or facsimile will not be considered.

1.10 Duration of Offer

Proposals submitted in response to this RFP are irrevocable for 120 days following the closing date of proposals or of Best and Final Offers (BAFOs), if requested. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

1.11 Revisions to the RFP

If it becomes necessary to revise this RFP before the due date for proposals, amendments will be posted on www.emarylandmarketplace.com. Amendments made after the due date for proposals will be sent only to those Offerors who submitted a timely proposal.

Acknowledgment of the receipt of all amendments to this RFP issued before the proposal due date must accompany the Offeror's proposal in the Transmittal Letter accompanying the Technical Proposal submittal. Acknowledgement of the receipt of amendments to the RFP issued after the proposal due date shall be in the manner specified in the amendment notice. Failure to acknowledge receipt of amendments does not relieve the Offeror from complying with all terms of any such amendment. As such, the Agency cautions prospective Offerors to routinely check www.emarylandmarketplace.com for any updates, revisions, or addenda related to this RFP.

1.12 Cancellations/ Discussions

The Agency reserves the right to cancel this RFP, accept or reject any and all proposals, in whole or in part, received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified or potentially qualified Offerors in any manner necessary to serve the best interests of the Agency or the State. The Agency also reserves the right, in its sole discretion, to award a contract based upon the written proposals received without prior discussions or negotiations.

1.13 Oral Presentation

Offerors may be required to make oral presentations to Agency representatives. Significant representations made by an Offeror during the oral presentation must be reduced to writing. All written representations will become part of the Offeror's proposal and are binding if the Contract is

awarded to such Offeror. The Procurement Officer will notify Offerors of the time and place of oral presentations. Typically, oral presentations occur approximately two to four weeks after the proposal due date.

1.14 Incurred Expenses

Neither the State nor the Agency will be responsible for any costs incurred by an Offeror in preparing and submitting a proposal, in making an oral presentation, in providing a demonstration, or in performing any other activities relative to this solicitation.

1.15 Economy of Preparation

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Offeror's proposal to meet the requirements of this RFP.

1.16 Protests/Disputes

Any protest or dispute related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies).

1.17 Multiple or Alternative Proposals

Neither multiple nor alternate proposals will be accepted.

1.18 Access to Public Records Act Notice

An Offeror should give specific attention to the clear identification of those portions of its proposal that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, Title 10, Subtitle 6, of the State Government Article of the Annotated Code of Maryland. (See Section 4.4.4)

Information that an Offeror claims is confidential must be placed after the Title Page and before the Table of Contents in the Offeror's Technical Proposal, and if applicable, also in its Financial Proposal. Offerors are advised that, upon request for this information from a third party, the State will make an independent determination whether the information must be disclosed.

1.19 Offeror Responsibilities

The selected Offeror/Contractor shall be responsible for all products and services required by this RFP. The use of subcontractor(s) by an Offeror/Contractor shall be permitted. If an Offeror intends to subcontract any of the services required pursuant to this RFP, the Offeror must clearly identify such subcontractor(s) in its Technical Proposal and must provide a complete description of the role the subcontractor(s) will have in the performance of the Contract.

If an Offeror that seeks to perform or provide the services required by this RFP is the subsidiary of another entity, all information submitted by the Offeror such as, but not limited to, proposed services, description of the Offeror's ability to perform the scope of work, references and financial reports, shall pertain exclusively to the Offeror, unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror's proposal must contain an explicit statement that the parent organization will guarantee the performance of the subsidiary.

1.20 Mandatory Contractual Terms

By submitting an offer in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms of this RFP and the Contract, attached as ATTACHMENT A. Any exceptions to this RFP, the Contract or any attachments thereto shall cause the proposal to be deemed not reasonably susceptible of being selected for award.

1.21 Proposal Affidavit

A proposal submitted by an Offeror must be accompanied by a completed Bid/Proposal Affidavit. A copy of this Affidavit is included as ATTACHMENT B of this RFP.

1.22 Contract Affidavit

All Offerors are advised that if a contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as ATTACHMENT C of this RFP. This Affidavit must be completed and submitted within five (5) business days of notification of proposed contract award.

1.23 Minority Business Enterprises

Minority Business Enterprises (MBEs) are encouraged to respond to this solicitation. A Minority Business Enterprise (MBE) subcontractor participation goal has not been established for this procurement.

Offerors who consider themselves to be minority contractors are encouraged to obtain certification from the Maryland Department of Transportation. Offerors attempting to classify themselves as minority contractors, within the meaning of the State procurement laws and regulations, shall not be so viewed until and unless they are certified as such by the Office of Minority Business Enterprise. The assigned certification number must appear on invoices.

All questions related to certification must be directed to the Maryland Department of Transportation (MDOT), Office of Minority Business Enterprise:

Maryland Department of Transportation
Office of Minority Business Enterprise
P.O. Box 8755 BWI Airport
Baltimore, MD 21240-0755, Telephone: (410) 865-1269

1.24 Arrearages/ Compliance with Law

By submitting a proposal in response to this RFP, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State of Maryland or any department or unit thereof including but not limited to the payment of taxes and employee benefits, and, if selected for award, that it shall not become so in arrears during the term of the Contract. By submitting a proposal in response to this RFP, the Offeror further agrees that, if selected for award, it will comply with all Federal, State, and local laws applicable to its activities and obligations under the Contract.

1.25 Procurement Method

This Contract will be awarded in accordance with the competitive sealed proposals process under COMAR 21.05.03.

1.26 Verification of Corporate Registration and Tax Payment

Before a corporation can do business in the State of Maryland, it must be registered with the Department of Assessments and Taxation (www.dat.state.md.us), State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of proposals. An Offeror's failure to complete registration with the Department of Assessments and Taxation may disqualify an otherwise successful Offeror from final consideration and recommendation for Contract award.

1.27 False Statements

Offerors are advised that section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland provides as follows:

1.27.1 In connection with a procurement contract a person may not willfully:

1.27.1.1 Falsify, conceal, or suppress a material fact by any scheme or device;

1.27.1.2 Make a false or fraudulent statement or representation of a material fact; or

1.27.1.3 Use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

1.27.2 A person may not aid or conspire with another person to commit an act under subsection (1.27.1) of this section.

1.27.3 A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

1.28 Electronic Funds Transfers

By submitting a response to this solicitation, the Offeror agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds Registration Request Form (ATTACHMENT H). The form is available from the Comptroller's Offices or website http://compnet.comp.state.md.us/General_Accounting_Division/Static_files/gadx-10.pdf. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption request.

1.29 Conflict of Interest

Potential Offerors should be aware that the State Ethics Law, State Government Article, §15-508, might limit the selected Contractor's ability to respond to this solicitation, depending upon specific circumstances.

The successful Offeror will provide the services required by this RFP to the Agency, and, if applicable, the State, and must do so impartially and without any conflicts of interest. The Contractor will be required to complete a Conflict of Interest Affidavit. A copy of this Affidavit is included as ATTACHMENT F of this RFP. If the Procurement Officer makes a determination that facts or circumstances exist that give rise to or could in the future give rise to a conflict of interest within the meaning of COMAR 21.05.08.08A, the Procurement Officer may find the Offeror to be not reasonably susceptible of being selected for award under COMAR 21.06.02.03B.

1.30 Living Wage Requirements

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in this solicitation (see Attachment J entitled Living Wage Requirements for Service Contracts). If the Offeror fails to complete and submit the Affidavit of Agreement, Attachment K, the State may determine an Offeror to be not responsible.

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least **the minimum amount set by law for the applicable Tier Area**. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event that the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

The contract resulting from this solicitation will be deemed to be a Tier 1 contract or a Tier 2 contract depending on the location(s) from which the Contractor provides 50% or more of the services. If the Contractor provides 50% or more of the services from a location(s) in a Tier 1 jurisdiction(s) the contract will be a Tier 1 contract. If the Contractor provides 50% or more of the services from a location(s) in a Tier 2 jurisdiction(s), the contract will be a Tier 2 contract. If the Contractor provides more than 50% of the services from an out-of-State location, then the contract will be deemed to be a Tier 1 contract. The Offeror must identify in their Offer the location(s) from which services will be provided.

Information pertaining to reporting obligations may be found by going to the DLLR Website www.dllr.state.md.us and clicking on Living Wage.

1.31 Electronic Procurements Authorized

1.31.1 The Agency may conduct procurement transactions by electronic means, including the solicitation, bidding, award, execution, and administration of a contract, as provided in the Maryland Uniform Electronic Transactions Act, Commercial Law Article, Title 21, Annotated Code of Maryland.

1.31.2 Participation in the solicitation process on a procurement contract for which electronic means has been authorized shall constitute consent by the bidder/offeror to conduct by electronic means all elements of the procurement of that Contract which are specifically authorized under the RFP or the Contract.

1.31.3 "Electronic means" refers to exchanges or communications using electronic, digital, magnetic, wireless, optical, electromagnetic, or other means of electronically conducting transactions. Electronic means includes facsimile, electronic mail, internet-based communications, electronic funds transfer, specific electronic bidding platforms (e.g. emarylandmarketplace.com), and electronic data interchange.

1.31.4 In addition to specific electronic transactions that are expressly authorized in other sections of this RFP (e.g. §1.28 related to EFT) and subject to the exclusions noted below in §1.31.5 of this RFP, the following transactions are authorized to be conducted by electronic means on the terms described:

1.31.4.1 The Procurement Officer may conduct the procurement using eMarylandMarketplace, e-mail or facsimile to issue:

- 1.31.4.1.1 the solicitation (e.g. the RFP);
- 1.31.4.1.2 any amendments;
- 1.31.4.1.3 pre-proposal conference documents, if applicable;
- 1.31.4.1.4 questions and responses;
- 1.31.4.1.5 communications regarding the solicitation or proposal to any Offeror or potential Offeror including requests for clarification, explanation, or removal of elements of an Offeror's proposal deemed not acceptable;
- 1.31.4.1.6 notices of award selection or non-selection; and
- 1.31.4.1.7 the Procurement Officer's decision on any protest or Contract claim.
- 1.31.4.2 An Offeror or potential Offeror may use e-mail or facsimile to:
 - 1.31.4.2.1 ask questions regarding the solicitation;
 - 1.31.4.2.2 reply to any material received from the Procurement Officer by electronic means that includes a Procurement Officer's request or direction to reply by e-mail or facsimile, but only on the terms specifically approved and directed by the Procurement Officer;
 - 1.31.4.2.3 request a debriefing; or,
 - 1.31.4.2.4 submit a "No Bid Response/ Proposal" to the solicitation.
- 1.31.4.3 The Procurement Officer, the Contract Manager and the Contractor may conduct day-to-day Contract administration, except as outlined in section 1.31.5 of this RFP, utilizing e-mail, facsimile or other electronic means if and as authorized by the Procurement Officer or Contract Manager.
- 1.31.5 The following transactions related to this RFP and any Contract awarded pursuant to it are not authorized to be conducted by electronic means:
 - 1.31.5.1 submission of initial bids or proposals;
 - 1.31.5.2 filing of protests;
 - 1.31.5.3 filing of Contract claims;
 - 1.31.5.4 submission of documents determined by the Agency to require original signatures (e.g. Contract execution, Contract modifications, etc); or
 - 1.31.5.5 any transaction, submission, or communication where the Procurement Officer has specifically directed that a response from the Contractor, Bidder or Offeror be provided in writing or hard copy.
- 1.31.6 Any facsimile or electronic mail transmission is only authorized to the facsimile numbers or electronic mail addresses for the identified person as provided in the RFP, the Contract, or as otherwise directed by the Procurement Officer or Contract Manager.

1.32 Prompt Payment Policy Requirements

This Prompt Payment Directive applies to all non-construction State funded contracts in excess of \$25,000 by Executive Branch Agencies.

1.32.1 If a contractor withholds payment of an undisputed amount to its subcontractor, the Agency, at its option and in its sole discretion, may take one or more of the following actions:

1.32.1.1 Not process further payments to the contractor until payment to the subcontractor is verified

1.32.1.2 Suspend all or some of the contract work without affecting the completion date(s) for the contract work;

1.32.1.3 Pay or cause payment of the undisputed amount to the subcontractor from monies otherwise due or that may become due;

1.32.1.4 Place a payment for an undisputed amount in an interest-bearing escrow account; or

1.32.1.5 Take other or further actions as appropriate to resolve the withheld payment.

1.32.2 An "undisputed amount" means an amount owed by a contractor to a subcontractor for which there is no good faith dispute, including any retainage withheld, and includes an amount withheld because of issues arising out of an agreement or occurrence unrelated to the agreement under which the amount is withheld.

1.32.3 An act, failure to act, or decision of a procurement officer or a representative of the Agency, concerning a withheld payment between a contractor and subcontractor under this policy directive, may not:

1.32.3.1 Affect the rights of the contracting parties under any other provision of law;

1.32.3.2 Be used as evidence on the merits of a dispute between the Agency and the contractor in any other proceeding; or

1.32.3.3 Result in liability against or prejudice the rights of the Agency.

1.32.4 The remedies enumerated above are in addition to those provided under COMAR 21.11.03.13 with respect to subcontractors that have contracted pursuant to the Minority Business Enterprise program.

1.32.5 To ensure compliance with certified MBE subcontract participation goals, the Agency may, consistent with COMAR 21.11.03.13, take the following measures:

1.32.5.1 Verify that the certified MBEs listed in the MBE participation schedule actually are performing work and receiving compensation as set forth in the MBE participation schedule.

1.32.5.2 This verification may include, as appropriate:

1.32.5.2.1 Inspecting any relevant records of the contractor;

1.32.5.2.2 Inspecting the jobsite; and

1.32.5.2.3 Interviewing subcontractors and workers.

1.32.5.2.4 Verification shall include a review of:

- A. The contractor's monthly report listing unpaid invoices over 30 days old from certified MBE subcontractors and the reason for nonpayment; and
 - B. The monthly report of each certified MBE subcontractor, which lists payments received from the contractor in the preceding 30 days and invoices for which the subcontractor has not been paid.
- 1.32.5.3 If the Agency determines that a contractor is in noncompliance with certified MBE participation goals, then the Agency will notify the contractor in writing of its findings, and will require the contractor to take appropriate corrective action.
- 1.32.5.3.1 Corrective action may include, but is not limited to, requiring the contractor to compensate the MBE for work performed as set forth in the MBE participation schedule.
- 1.32.5.4 If the Agency determines that a contractor is in material noncompliance with MBE contract provisions and refuses or fails to take the corrective action that the Agency requires, then the Agency may:
- 1.32.5.4.1 Terminate the contract;
- A. Refer the matter to the Office of the Attorney General for appropriate action; or
 - B. Initiate any other specific remedy identified by the contract, including the contractual remedies required by this Directive regarding the payment of undisputed amounts.
- 1.32.5.5 Upon completion of the contract, but before final payment or release of retainage or both, the contractor shall submit a final report, in affidavit form under the penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

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SECTION 2 OFFEROR MINIMUM QUALIFICATIONS

2.1 Demonstrating Minimum Qualifications

Offerors must clearly state **and demonstrate** in the Technical Proposal that they satisfy each of the minimum qualifications set forth in Section 2.3.

2.2 Failure to Satisfy Minimum Qualifications

Failure to satisfy the minimum qualifications stated in this RFP will result in an Offeror being classified as not reasonably susceptible of being selected for award, and failure to maintain compliance with any of these qualifications during the term of the Contract may be considered an event of default. The Offeror/Contractor must notify the Agency of the Offeror's/Contractor's non-compliance within ten (10) calendar days of the precipitating event.

2.3 Minimum Qualifications

IN ITS TECHNICAL PROPOSAL, EACH OFFEROR MUST MEET AND DEMONSTRATE PROOF OF THE FOLLOWING MINIMUM QUALIFICATIONS TO BE CONSIDERED FOR CONTRACT AWARD. THE OFFEROR MAY PROVIDE CLIENT REFERENCES FOR WHICH THE SAME OR SIMILAR SERVICES REQUESTED BY THIS RFP WERE PROVIDED, WITHIN THE LAST FIVE (5) YEARS, AND WHICH DEMONSTRATE THAT THE OFFEROR HAS THE FOLLOWING MINIMUM QUALIFICATIONS. THE OFFEROR MUST PROVIDE A STATEMENT OR DOCUMENTATION THAT DEMONSTRATES THE OFFEROR MEETS EACH OF THE FOLLOWING REQUIREMENTS:

- 2.3.1 The Offeror must be a national or regional professional executive search firm that specializes in, or has at least five (5) years experience in, recruiting investment professionals for public retirement systems, private pension plans, endowments, foundations, or investment management firms as further described in Section 3, Scope of Work, of this RFP. The Offeror shall provide a minimum of five (5) references from organizations for whom the Offeror has provided within the last five (5) years similar executive search services as required by this RFP, including contact names, addresses, telephone numbers, and valid email addresses;
- 2.3.2 The Offeror must have successfully concluded executive search services for Chief Investment Officers, or the equivalent position, for at least five (5) public retirement systems, private pension plans, endowments, foundations, or investment management firms managing over \$10 billion in assets;
- 2.3.3 The Offeror shall assign at least one (1) executive search professional to this Contract who has a minimum of five (5) years of experience as an executive search professional. The Offeror shall submit resumes for each executive search professional that it will assign to the Contract.
- 2.3.4 The Offeror must provide a statement that it is not in bankruptcy, conservatorship, receivership, or in the possession of a regulatory agency;
- 2.3.5 The Offeror must disclose all potential conflicts of interest, as defined in this RFP, and all sources of its revenue and affiliations; and
- 2.3.6 The Offeror must carry at least \$1 million in liability insurance that is in full force at the time the proposal is submitted and must be maintained at the same level or higher throughout the term of the Contract. A copy of such coverage, including the types and amounts of coverage, shall be provided with the Offeror's Technical Proposal.

SECTION 3 SCOPE OF WORK

3.1 Background

The Maryland State Retirement Agency (Agency) is the administrator of the Maryland State Retirement and Pension System (System). The System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland to provide retirement allowances and other benefits to State employees, teachers, police, judges, legislators and employees of participating governmental units. As of June 30, 2010, the System's assets held in trust to pay pension benefits totaled approximately \$32 billion. Additionally, the System has in excess of 316,000 participants, of which approximately 200,000 are active members, administered by a full time staff of approximately 200 employees. Responsibility for the System's administration and operations is vested in a 14-member Board of Trustees (Board) made up of public officials, elected representatives of State employees and retirees, and appointed representatives of participating governmental units and the public. More information about the System can be found in its Comprehensive Annual Financial Report at <http://www.sra.state.md.us/cafr09.htm>.

3.2 Purpose/Objectives

The Agency is seeking an executive search firm to locate, interview, and assist in presenting candidates to serve as the Agency's Chief Investment Officer (CIO). The compensation anticipated to be paid to the selected CIO is \$200,000 - \$300,000 base salary with additional incentive compensation of up to 33% of base salary. A description of the position, and the attributes sought in a CIO, is attached as ATTACHMENT M to this RFP.

3.3 General Requirements

The Contractor shall provide the following services as a minimum but not limited to:

- 3.3.1 Assist the Search Team, which will consist of the Executive Director of the Agency and selected members of the Board, in developing an ideal candidate profile, job description and strategy for carrying out the recruitment process - including outreach to encourage applicants from diverse backgrounds to apply.
- 3.3.2 Throughout the search process the Contractor shall: (a) on a bi-weekly basis provide written progress reports to the Search Team that detail actions taken and whether Contractor is in compliance with the Contractor's Work Plan as described in Section 4.4.8.3.2 of this RFP, and hold conference calls with the Search Team, and (b) maintain contact with the Executive Director to report progress and to assure the Agency that work required pursuant to this RFP is progressing in a satisfactory manner and direction.
- 3.3.3 Identify potential contacts and conduct personal outreach recruiting, including posting the position through national channels.
- 3.3.4 Handle all paperwork and record keeping procedures related to the executive search described in this RFP, including directly receiving and processing CIO candidate applications, resumes, nominations and other search related paperwork.
- 3.3.5 With the approval of the Contract Manager, prepare and place advertisements for the position in appropriate public/private pension, financial management and related publications, web-sites, commercial publications such as the Wall Street Journal or similar publications, and other sources identified by the Contractor. All advertisements must include a statement that "The Maryland State Retirement Agency is an Affirmative Action/Equal Opportunity Employer."
- 3.3.6 Provide procedures, which must be pre-approved by the Contract Manager, for conducting semi-finalist interviews. Review resumes for background, credentials and experience and follow-

up with telephone interviews to clarify each candidate's experience. After the resumes are reviewed and the telephone interviews are completed, the Contractor shall prepare a written summary of not more than fifteen (15) of the most professionally attractive candidates to submit to the Contract Manager.

- 3.3.7 Evaluate the five (5) "finalist" candidates that the Search Team has chosen by: (a) conducting face-to-face personal interviews; (b) conducting in-depth background checks including, without limitation, verification of education credentials, facts, figures and performance data provided by the candidate, and a National Crime Investigative Center (NCIC) and local background check; and, (c) assessing the candidate's overall investment and management ability through at least two initial professional reference checks with individuals who are or have been in a position to evaluate the candidate's performance on the job. Through these interviews and reference checks, the Contractor shall ascertain and report to the Search Team the candidate's strength relative to the ideal candidate profile prepared by the Offeror in consultation with the Contract Manager.
- 3.3.8 Use a process approved by the Contract Manager to schedule interviews with the Search Team and the five (5) "finalist" candidates.
- 3.3.9 Prepare and provide report summaries on the five (5) "finalist" candidates, in a confidential manner, to the Contract Manager and the Search Team. Such summaries must include evaluation of candidate credentials, interview feedback, background checks and other relevant information.
- 3.3.10 Be available for consultation and direction throughout entire confirmation process.
- 3.3.11 Notify rejected applicants.
- 3.3.12 Perform an additional one-time search for a replacement CIO (the "Supplemental Search"), if, for any reason, the original CIO candidate proposed by the Offeror and engaged by the Board leaves the employment of the Agency within one year after the CIO's start date with the Agency. No additional compensation will be payable to the Offeror/Contractor for the performance of the Supplemental Search.

3.4 Invoicing

- 3.4.1 Invoices. Subject to Section 3.4.4 below, the Contractor may submit up to three (3) invoices to the Agency during the term of the Contract.
- 3.4.2 Invoice Schedule.
 - 3.4.2.1 Subject to Section 3.4.4 below, the Contractor may submit the first two (2) invoices at times to be determined after Contract award and agreed upon between the parties based on the completion of specified milestones stated in the Contractor's proposed Work Plan and mutually agreed upon by the parties.
 - 3.4.2.2 Subject to Section 3.4.4 below, the Contractor may submit a third and final invoice to the Agency only after a CIO candidate proposed by the Contractor and engaged by the Board, actually commences work at and for the Agency.
- 3.4.3 Invoice Amounts. The Contractor may invoice the Agency as follows:
 - 3.4.3.1 For each of the first two (2) invoices, the portion of the percentage fee payable shall equal one-third of an amount to be calculated by multiplying the percentage set forth in the successful Offeror's/Contractor's Financial Proposal times an estimated base CIO salary of \$200,000; and

3.4.3.2 The final invoice for the Contractor's percentage fee shall consist of the remainder of the total percentage fee payable to the Contractor, to be calculated by multiplying the percentage set forth in the successful Offeror's/Contractor's Financial Proposal times the actual starting base salary (not including benefits, bonuses or incentives) of the selected CIO, and subtracting the payments already made to the Contractor.

3.4.4 In the event that (a) no CIO candidate proposed by the Contractor is engaged by the Board, (b) the Contract is terminated before the end of the term of the Contract and before a CIO is engaged by the Board, or (c) a current or former Board member, employee of the Agency, or an Interim CIO is engaged by the Board for the CIO position, the Contractor may retain all money it has received from the Agency to the date of such event but shall receive no further compensation.

3.4.5 Address for Invoices. All invoices shall be sent, via email, to:

Cathie L. Nash
cnash@sra.state.md.us

3.4.6 Invoice Format

3.4.6.1 All invoices must include the following information:

- Name, address and federal tax identification number of the Contractor;
- Remittance address;
- Invoice period (e.g. the period during which services covered by the invoice were performed);
- Invoice date and invoice number;
- Amount due;
- An expenditures report or detailed billing report that provides a description of the work performed; and
- State issued purchase order number (to be issued with the Notice to Proceed).

3.4.6.2 A pre-authorized representative of the Contractor must sign each invoice. Invoices submitted without the required information will not be processed for payment until the Contractor provides the required information. The Contractor's Account Manager should be the authorized representative that signs each invoice; however, the Contractor may appoint a different individual to sign each invoice, so long as the Contractor notifies the Agency's Procurement Officer and the Agency's Contract Manager of the designated individual's name, title, telephone number and email address within fifteen (15) business days of Contract execution.

3.4.7 Administrative and Travel Expenses

Except for certain travel costs for final CIO candidates as specifically described in Section 4.5.1.4 of this RFP, the Agency shall not pay any reimbursement for travel, parking and/or mileage pursuant to this RFP or under the terms of the Contract. The Agency will not pay for administrative services, clerical services, or advertising costs- all such services and costs must be accounted for in the Contractor's proposed percentage fees as set forth in its Financial Proposal.

3.5 Staffing Requirements for Executive Search Services

3.5.1 Staffing

- 3.5.1.1 The Contractor shall assign sufficient staff to this Contract such that the services required by this RFP are satisfactorily and efficiently performed and the Agency's executive search needs are met. The Contractor's staff shall have the training, experience and knowledge required to successfully perform the requirements specified in this RFP; and
- 3.5.1.2 The Contractor shall designate an Account Manager to serve as the primary contact for this Contract and for resolving all issues related to the Contract, including all billing/invoice matters; and,
- 3.5.1.3 The Contractor shall designate and identify in its Technical Proposal each executive search professional to be assigned to the Contract, as described in Section 2.3.3 of this RFP, as key personnel. The Contractor shall also designate additional key personnel to perform specific functions.

3.5.2 Availability of Key Personnel

Each Offeror shall ensure that the key personnel identified in its Technical Proposal will be available to perform its contractual requirements as stated in this RFP and the resultant Contract. The Contractor's key personnel shall not be reassigned to another task without the written pre-approval of the Contract Manager. If any key personnel leave the employment of the Contractor, or are approved for reassignment by the Contract Manager, the replacement must have equal or better qualifications than the incumbent and be approved in writing by the Contract Manager.

3.5.3 Substitution of Key Personnel

During the first 180 calendar days of the Contract performance period, no substitutions of key personnel will be permitted unless such substitutions are necessitated by extraordinary circumstances such as sudden illness, death, or as otherwise approved by the Contract Manager. In any of these events, the Contractor shall promptly notify the Contract Manager and provide the information required below. After the initial 180 calendar day period, all proposed substitutions of key personnel must be submitted in writing, at least fifteen (15) business days in advance of the proposed substitution to the Contract Manager with all of the information stated in this section of the RFP. The Contract Manager must agree to the substitution in writing before such substitution shall become effective.

All proposed substitutes of key personnel must have qualifications at least equal to that of the person initially proposed by the Contractor and evaluated and accepted by the Contract Manager. The Contractor shall bear the burden of proving that the proposed substitutes are at least equal. The resumes of the initially assigned key personnel shall become the minimum requirement for qualifications for the duration of the total Contract term. If one or more of the key personnel are unavailable for work under this Contract for a continuous period exceeding fifteen (15) business days, the Contractor shall immediately notify the Contract Manager and propose a replacement of equal or better qualifications within fifteen (15) business days of notification. All substitutions shall be made in accordance with this provision.

All requests for substitutions must provide a detailed explanation of the circumstances necessitating the proposed substitution, a resume of the proposed substitute (see below), and any other information requested by the Contract Manager that he deems necessary, in his sole discretion, to make a determination as to the appropriateness of the proposed substitution. All proposed substitutes must have educational qualifications and work experience equal to or better than the resume initially proposed for other personnel. The Contractor shall bear the burden of proving that the proposed substitutes are at least equal.

Resumes shall be signed by all substituting individuals and their formal supervisor, and the official resume of the previous employee shall be provided for comparison purposes.

The Agency shall, at any time, have the right to require the Contractor to replace any of its key personnel assigned to this Contract if any such Contractor's personnel are uncooperative, inefficient, unprofessional in their appearance or actions, or otherwise demonstrate an inability to perform the requirements specified in the RFP.

3.6 Conflicts of Interest

- 3.6.1 The State Ethics Law, State Government Article, §15-508, might limit the selected Contractor's **ability to participate in future related procurements or to provide advice or consultation services** to organizations or companies that do business with or plan to do business with the State, depending upon specific circumstances.
- 3.6.2 The Contractor shall perform the duties required by this RFP impartially and without any conflict of interest. The Contractor's first priority in performing the duties of the Contract shall be the protection of the Agency's interests.

The Contractor shall provide periodic updates to the Contract Manager and the Procurement Officer, providing information such as that required by the Conflict of Interest Affidavit, attached hereto as ATTACHMENT F, certifying whether a conflict of interest or potential conflict of interest exists. The Contractor shall notify the Contract Manager and Procurement Officer whenever the Contractor provides services to, contracts with, or receives any compensation or remuneration from an organization or company that is involved in a matter related to this RFP.

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SECTION 4 PROPOSAL SUBMISSION FORMAT

4.1 Two Part Submission

Offerors must submit separate proposals in two separate volumes:

- **Volume I – (TECHNICAL PROPOSAL)**
- **Volume II – (FINANCIAL PROPOSAL)**

4.2 Proposals

Volume I - Technical Proposal must be sealed separately from Volume II - Financial Proposal but submitted simultaneously to the Procurement Officer (address listed on Key Information Summary and in Section 1.5 of this RFP). This is the only address to which proposals shall be submitted. An unbound original, so identified, and five (5) bound copies of each volume are to be submitted. Hard copies must be a complete proposal containing all information contained on the CDs unless otherwise directed in Section 4 of this RFP.

Offerors must attach to the original Technical Proposal one (1) separate CD containing an electronic version of Volume I- Technical Proposal (in MS Word format). Offerors must attach to the original Financial Proposal one (1) separate CD containing an electronic version of the Volume II- Financial Proposal (in MS Word or Excel format).

Please note that the Offeror must provide separate CDs for the Technical Proposal and the Financial Proposal, resulting in two (2) CDs attached to the proposal. The CDs containing the electronic responses shall be placed in separate envelopes labeled "Offeror Response CDs – Volume "X" ("X" is Volume I or Volume II, as appropriate).

4.3 Submission

Each Offeror is required to submit a separate sealed package for each Volume, to be labeled "Volume I-Technical Proposal" and "Volume II-Financial Proposal", respectively. Each sealed package must bear the RFP title and number, name and address of the Offeror, the Volume Number (I or II), and the closing date and time for receipt of the proposals on the outside of the package. Please label the electronic media with Volume I-Technical Proposal and Volume II-Financial Proposal, as appropriate.

All pages of both proposal volumes must be consecutively numbered from beginning (Page 1) to end (Page "x").

4.4 Volume I – Technical Proposal

4.4.1 Transmittal Letter

A transmittal letter must accompany the Technical Proposal. The purpose of this letter is to transmit the proposal and acknowledge the receipt of any addenda/amendments. The transmittal letter should be brief and signed by an individual who is authorized to commit the Offeror to the services and requirements as stated in this RFP. The transmittal letter must not include any pricing or financial information.

4.4.2 Format of Technical Proposal; Required Submissions

Inside a sealed package described in Section 4.3, above, an unbound original, to be so labeled, five (5) copies and the electronic version (MS Word) shall be provided. Sections 2 and 3 of this RFP provide requirements and Section 4 provides reply instructions. The paragraphs in these RFP sections are numbered for ease of reference. In addition to the instructions below, the Offeror's Technical Proposal should be organized and numbered in the same order as this RFP. This proposal organization will allow State officials, Agency personnel, and the Evaluation Committee to "map" Offeror responses directly to RFP requirements by paragraph number.

The Offeror should use the sub-headings provided by this RFP to organize their response (i.e. describe in detail how Offeror meets the minimum qualifications as a response to Section 2.3 of this RFP and describe its experience and capabilities as related to the objectives of this RFP in the Technical Proposal section noted as a response to Section 3.3.). The Technical Proposal shall include the following sections in this order:

4.4.3 Title Page

The Technical Proposal should begin with a title page bearing the name and address of the Offeror and the name and number of this RFP.

4.4.4 Confidential, Proprietary Commercial Information or Trade Secrets

If applicable, information the Offeror claims to be confidential, proprietary commercial information or trade secrets shall be identified after the Title Page and before the Table of Contents in the Offeror's Technical Proposal. This information, along with any claim of confidential financial information, should also be disclosed in the Offeror's Financial Proposal. The Offeror must include an explanation for each individual claim of confidentiality. See RFP Section 1.18 for additional information.

4.4.5 Table of Contents

A table of contents for the Technical Proposal should follow the title page or the Offeror's confidential, proprietary information or trade secrets claims.

4.4.6 Executive Summary

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled "Executive Summary". The Executive Summary shall reflect the RFP subject, name of the firm, address, telephone number, contact person, date of preparation, and names of persons who are authorized to make representations on behalf of the Offeror (include their titles, addresses, telephone numbers and other contact information). This section shall include a summary description of the firm's background and history in providing the services requested by the RFP. Any marketing materials included in the Offeror's proposal to more fully describe the Offeror's services should be clearly referenced in both the Executive Summary and the Technical Proposal.

The Executive Summary must include a statement that the Offeror, if chosen for award, shall comply with all terms and conditions stated in the RFP, Contract (ATTACHMENT A), and attachments thereto. Exceptions to the RFP, Contract, or attachments will result in rejection of the proposal.

4.4.7 Offeror Technical Response to RFP Minimum Qualifications

The Offeror shall address each minimum qualification specified in Section 2 "Minimum Qualifications" of this RFP and shall describe how the Offeror meets each of these minimum qualifications. If the Offeror provides any publications, pamphlets or other written materials to

further demonstrate its capacity to meet the minimum qualifications; such materials must be clearly referenced in each response to the minimum qualifications.

4.4.8 Offeror Technical Response to RFP Scope of Work Requirements

4.4.8.1 In a concise manner, the Offeror shall address each requirement in Section 3 “Scope of Work” of this RFP and shall describe how the Offeror’s proposed services will meet these requirements. The Offeror should use the sub-headings provided by this RFP to organize the response. The response to the requirements for each Category should take into account the background information provided in Section 3.1 of this RFP.

4.4.8.2 If the Agency is seeking Offeror agreement to a requirement, the Offeror shall state agreement or disagreement. However, the Offeror should not merely rely on a stated agreement to perform the requested work; rather the Offeror should outline **how the Offeror can fulfill the requested tasks in a manner that best meets the Agency’s needs.**

4.4.8.3 The Technical Proposal shall include:

4.4.8.3.1 Understanding of Requirements. A statement of the Offeror’s understanding of the services required by this RFP. The Offeror must explain its overall approach for successfully providing these services to the Agency.

4.4.8.3.2 Work Plan. A preliminary Work Plan demonstrating how the Offeror, if selected for award of the Contract to result from this RFP, plans to accomplish the required contract services as identified in this RFP in the most efficient and effective manner. At a minimum, this preliminary Work Plan must specifically include:

- A. A detailed description of the Offeror’s approach to the preliminary interviews, semi-finalist interviews, and evaluation of finalist candidates, and whether these interviews and evaluations will be held in person, by video conferencing or by telephone;
- B. A detailed description of the Offeror’s proposed schedule to perform the requested services, which shall include a series of milestones and the Offeror’s proposed invoicing schedule based on such milestones. As stated in this RFP, Section 3.4, the invoicing schedule will need to be agreed upon by the parties after Contract Award.
- C. A detailed description of the Offeror’s approach to identifying potential candidates, including anticipated frequency and types of advertisement of the position and outreach recruiting;
- D. How often the Offeror will meet with the Search Team in person and how often by conference call. Each Offeror should include the format and frequency of consultations and presentations the Offeror envisions with the Contract Manager, Search Team and Board, if applicable;
- E. A detailed description of the Offeror’s approach to and availability for consultation and direction to the Agency throughout the search and confirmation process;
- F. The Offeror’s record keeping and quality assurance procedures;
- G. An estimate of the time necessary to complete each Work Plan component; and,
- H. The Offeror’s commitment to delivery of services in accordance with the schedule provided and strategy for remaining on schedule.

4.4.9 Offeror's Experience and Capability

4.4.9.1 The Offeror shall describe its experience and past performance in providing services similar to those solicited by this RFP, and how this experience will be beneficial to and aid in the Offer's performance of the requirements of this RFP.

4.4.9.2 As part of its Technical Proposal, each Offeror must provide a list of all contracts with any entity of the State of Maryland that it is currently performing, or which has been performed or completed within the last five (5) years. For each identified contract the Offeror is to provide in its Technical Proposal:

4.4.9.2.1 The State contracting entity;

4.4.9.2.2 A brief description of the services/goods provided;

4.4.9.2.3 The dollar value of the contract;

4.4.9.2.4 The term of the contract;

4.4.9.2.5 The State employee contact person (name, title, telephone number and if possible email address); and

4.4.9.2.6 Whether the contract was terminated before the end of the term specified in the original contract, including whether any available renewal option was not exercised.

The Procurement Officer, or a designee, may contact any or all of the identified State agencies to discuss the identified contracts. During such a discussion, the Agency may inquire as to the Offeror's level of performance of the applicable State contract.

Information obtained regarding the Offeror's level of performance on State contracts will be considered part of the experience and past performance evaluation criteria of the RFP.

4.4.10 The Offeror's Technical Proposal shall include:

4.4.10.1 A description of any services comparable to the services required by this RFP performed by the Offeror during the most recent five (5) year period. In particular, the Offeror should highlight any experience with Chief Investment Officer placements at public retirement systems;

4.4.10.2 A minimum of five (5) references from public retirement systems, private pension plans, endowments, foundations, or investment management firms for whom the Offeror has provided services comparable to those specified in this RFP, including complete addresses and telephone numbers for each reference, as well as the name, title, the telephone number and a valid email address of a contact; and

4.4.10.3 Any additional services or alternative approaches that the Offeror believes are in the Agency's best interest.

4.4.11 Subcontractors

4.4.11.1 It is not anticipated that Offerors will subcontract any of the work described in this RFP. However, if an Offeror intends to subcontract any of the services required pursuant to this RFP, that Offeror must clearly identify in its Technical Proposal both MBE and non-MBE subcontractors and the role these subcontractors will have in the performance of the Contract.

4.4.11.2 A summary of the experience and expertise of the proposed subcontractors shall be provided as part of the Offeror's Technical Proposal.

4.4.12 Staffing Plan, Personnel Qualification and Professional Experience

4.4.12.1 The Offeror shall provide a staffing plan that describes how the Offeror intends to staff this Contract to meet the Agency's needs. The staffing plan shall include a statement by the Offeror indicating that the proposed staff meets the minimum qualifications required by this RFP. The Offeror shall identify its proposed Account Manager and any other key personnel, including, but not limited to the executive search professional(s) to be assigned to the Contract. As part of the staffing plan, the Offeror shall submit the resumes of the proposed key personnel that will be assigned to complete the work required by this RFP.

4.4.12.2 The Offeror shall provide a short summary of the professional experience, achievements, and capabilities of those staff and personnel proposed by the Offer to perform the requirements of the Contract. The resumes and staffing plan may also include a description of whether the proposed staff worked on the accounts submitted as references by the Contractor.

4.4.12.3 The Offeror shall also acknowledge that except as described in this RFP, all key personnel will be used for the duration of this Contract as described in the Offeror's proposal.

4.4.13 Economic Benefit Factors

Do not include any detail of the financial proposal with this technical information.

4.4.13.1 The Offeror shall describe the benefits that will accrue to the Maryland economy as a direct or indirect result of the Offeror's performance of the Contract resulting from this RFP. The Offeror, in describing the economic benefits to the Maryland economy, should take into consideration the following elements:

4.4.13.1.1 The estimated percentage of Contract dollars to be recycled into Maryland's economy in support of the Contract. Offerors should be as specific as possible and provide a percentage breakdown of expenditures in this category;

4.4.13.1.2 The estimated number and types of jobs for Maryland residents resulting from this Contract. Indicate job classifications, number of employees in each classification, and the aggregate Maryland payroll percentages to which the Contractor has committed; and,

4.4.13.1.3 Tax revenues to be generated for Maryland and its political subdivisions as a result of this Contract. Indicate tax category (sales tax, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the Contract.

4.4.13.2 In addition to the factors listed above, the Offeror should explain any other economic benefit to the State of Maryland that would result from the Offeror's proposal, if any.

4.4.14 Conflict of Interest

Each Offeror must complete and submit a Conflict of Interest Affidavit with the Technical Proposal. A copy of this Affidavit is included as ATTACHMENT F of this RFP. If the Procurement Officer makes a determination that facts or circumstances exist that give rise to or could in the future give rise to a conflict of interest within the meaning of COMAR 21.05.08.08A, the Procurement Officer may reject an Offeror under COMAR 21.06.02.03B.

4.4.15 Financial Capability and Statements

The Offeror shall provide evidence that the Offeror has the financial capability to provide the services required by this RFP by submitting copies of the last two (2) year end abbreviated Profit and Loss (P&L) and Balance Sheets (independently audited preferred). The financial statements must be for the entity proposing to provide services under this RFP and not for any prospective owners or parent companies not directly involved in the provision of services.

4.4.16 Summary of Required Technical Submissions

Transmittal Letter (Section 4.4.1, ATTACHMENT I)
Technical Proposal, Volume I (Section 4.4)
Conflict of Interest Affidavit (Section 4.4.14, ATTACHMENT F)
Bid/Proposal Affidavit (Section 1.21, ATTACHMENT B)
Living Wage Affidavit (Section 1.30, ATTACHMENT K)
References (5) (Section 4.4.10.2, ATTACHMENT L)

4.5 Volume II - Financial Proposal

4.5.1 Financial Proposal Requirements

The Offeror's Financial Proposal shall be made using the form set forth in ATTACHMENT E hereto and on the following terms:

- 4.5.1.1 All proposed executive search fees shall be expressed as a percentage of an estimated CIO base salary, excluding benefits, incentives and bonus, of the selected CIO candidate who is to be proposed by the Contractor, be engaged by the Board after the initial executive search (the "Initial Search"), and commence work at the Agency.
- 4.5.1.2 Except for certain travel costs specifically described in Section 4.5.1.4 below, the percentage fees proposed in the Financial Proposal shall include all administrative, overhead, travel, advertising and other costs of the Offeror to provide all of the services described in this RFP.
- 4.5.1.3 The Financial Proposal shall state a single percentage fee proposal for the Offeror to perform the Initial Search and, if, for any reason, the original CIO candidate proposed by the Offeror and engaged by the Board leaves the employment of the Agency within one year after the CIO's start date with the Agency, to perform an additional one-time search for a replacement CIO (the "Supplemental Search").
- 4.5.1.4 The Agency shall arrange and pay for the travel costs for the finalists among the CIO candidates; the Agency anticipates that five (5) finalists will be selected, to interview in Baltimore with the appropriate Agency and Board officials. Such travel arrangements and costs must comply with State travel regulations.
- 4.5.2 Financial Proposal Format. Under separate sealed cover from the Technical Proposal and clearly identified with the same information noted on the Technical Proposal, the Offeror must submit an original unbound copy, five (5) bound copies, and one (1) electronic copy (MS Word or Excel format) in a separate envelope labeled as described in Section 4.2 of this RFP. The Financial Proposal must contain all price information in the format specified in ATTACHMENT E.

SECTION 5 EVALUATION CRITERIA AND SELECTION PROCEDURE

5.1 Evaluation Criteria

Evaluation of the proposals will be performed in accordance with COMAR 21.05.03 and will be based on the criteria set forth below. An evaluation committee will review and provide input to the Procurement Officer. The State reserves the right to utilize the services of individuals outside of the established committee for technical advice, as deemed necessary.

5.2 Technical Criteria

The criteria to be applied to each Technical Proposal are as follows, listed in descending order of importance:

- 5.2.1 Offeror's Technical Response to RFP Requirements, which includes a firm understanding of the Scope of Work (Section 4.4.8.);
- 5.2.2 Offeror's Experience and Capability (Section 4.4.9 - 4.4.10);
- 5.2.3 Offeror's Staffing Plan, Personnel Qualifications and Professional Experience, including the resumes and capabilities of key personnel and other staff to be assigned to this Contract (Section 4.4.12);
- 5.2.4 Offeror's Financial Capability and Statements (Section 4.4.15); and
- 5.2.5 Economic Benefit Factors (Section 4.4.13).

5.3 Financial Criteria

Once all evaluations of the Technical Proposals have been completed, the Evaluation Committee, with the concurrence of the Procurement Officer, will determine which Offerors are reasonably susceptible of being selected for award. After this determination, the separate Financial Proposal submitted by such Offerors will be distributed to the Evaluation Committee for review. The Evaluation Committee shall rank the responsible Offeror's Financial Proposals from lowest to highest price based on the fixed percentage proposed as shown in ATTACHMENT E. To be considered for contract award, an Offeror must comply with the instructions provided in ATTACHMENT E.

5.4 Reciprocal Preference

Although Maryland law does not authorize procuring agencies to favor resident Offerors in awarding procurement contracts, many other states do grant their resident businesses preferences over Maryland contractors. Therefore, as described in COMAR 21.05.01.04, a resident business preference will be given if: a responsible Offeror whose headquarters, principal base of operations, or principal site that will primarily provide the Services required under this RFP is in another state submits the most advantageous offer; the other state gives a preference to its residents through law, policy, or practice; and, the preference does not conflict with a Federal law or grant affecting the procurement contract. The preference given shall be identical to the preference that the other state, through law, policy or practice gives to its residents.

5.5 Selection Procedures

- 5.5.1 General Selection Process

The Contract will be awarded in accordance with the competitive sealed proposals process under Code of Maryland Regulations 21.05.03.

The Agency may hold discussions with all Offerors judged reasonably susceptible of being selected for award, or potentially so. However, the Agency also reserves the right to make an award without holding discussions. In either case of holding discussions or not doing so, the Agency may determine an Offeror to be not responsible and/or an Offeror's proposal to be not reasonably susceptible of being selected for award at any time after the initial closing date for receipt of proposals and throughout the review of those proposals.

5.5.2 Selection Process Sequence

- 5.5.2.1 The first level of review will be an evaluation for technical merit. During this review oral presentations and discussions may be held. The purpose of such discussions will be to assure a full understanding of the contract requirements and the Offeror's ability to perform, and to facilitate arrival at a contract that will be most advantageous to the Agency, and, if applicable, the State. For scheduling purposes, Offerors should be prepared to make an oral presentation and participate in discussions within two to four weeks of the closing date for receipt of proposals as stated in this RFP. The Procurement Officer will contact Offerors when, and if, a schedule is set by the Agency.
- 5.5.2.2 Offerors must confirm in writing any substantive oral clarification of, or change in, their proposals made in the course of discussions or oral presentations. Any such written clarification or change then becomes part of the Offeror's proposal.
- 5.5.2.3 The Financial Proposal of each Offeror will be evaluated separately from and subsequent to the technical evaluation. After a review of the Financial Proposals of Offerors, the Procurement Officer may again conduct discussions.
- 5.5.2.4 When in the best interest of the Agency or State, the Procurement Officer may request Offerors who have submitted acceptable proposals to revise their initial proposals and submit, in writing, best and final offers (BAFOs).

5.6 Award Determination

An award determination may be made upon completion of all discussions and negotiations, reference checks, and site visits, and in accordance with COMAR 21.05.03.03A(6). As stated in COMAR, "initial evaluations may be conducted and recommendation for award made by an evaluation committee. Final evaluations, including evaluation of the recommendation of the evaluation committee, if any, shall be performed by the procurement officer and the agency head or designee." COMAR 21.05.03.03A(6).

The Procurement Officer will recommend award of the Contract to the responsible Offeror whose proposal is determined to be the most advantageous to the Agency considering technical evaluation factors equal to financial factors as set forth in this RFP.

Please be advised that contract award may be subject to approval by the Board, the Maryland Department of Budget & Management, and/or the Maryland Board of Public Works.

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ATTACHMENTS

ATTACHMENT A – CONTRACT

ATTACHMENT B – BID/PROPOSAL AFFIDAVIT

ATTACHMENT C – CONTRACT AFFIDAVIT

ATTACHMENT D – CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

ATTACHMENT E – FINANCIAL PROPOSAL INSTRUCTIONS AND FORM

ATTACHMENT F – CONFLICT OF INTEREST AFFIDAVIT/DISCLOSURE

ATTACHMENT G – OFFEROR'S CHECKLIST

ATTACHMENT H – VENDOR ELECTRONIC FUNDS TRANSFER FORM

ATTACHMENT I – TRANSMITTAL LETTER FORM

ATTACHMENT J – LIVING WAGE REQUIREMENTS FOR SERVICE CONTRACTS

ATTACHMENT K – LIVING WAGE AFFIDAVIT OF AGREEMENT

ATTACHMENT L – REFERENCES

ATTACHMENT M – DESCRIPTION OF CIO POSITION

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ATTACHMENT A – CONTRACT

EXECUTIVE SEARCH SERVICES SRA 11-07

THIS CONTRACT is made this _____ day of _____, 2010 by and between the MARYLAND STATE RETIREMENT AGENCY (Agency) and _____ (Contractor), Federal Tax Identification Number _____, company address _____.

IN CONSIDERATION of the promises and the covenants herein contained, the parties agree as follows:

1 Definitions

In this Contract, the following words have the meanings indicated:

- 1.1 **Account Manager** means the individual identified by the Contractor as the primary contact for the Agency in the management of the Contract issues pursuant to RFP Solicitation No. SRA 11-07, Executive Search Service.
- 1.2 **Agency** means the Maryland State Retirement Agency.
- 1.3 **Board** means the Board of Trustees for the Maryland State Retirement and Pension System.
- 1.4 **Contract** means this Contract for the Executive Search Services.
- 1.5 **Contractor** means _____ whose principal business address is _____.
- 1.6 **Contract Manager** means the individual identified by the Agency in Section 1.5 of the RFP as the primary contact for the Contractor in the management of the Contract issued pursuant to RFP Solicitation No. SRA 11-07, Executive Search Services or a successor designated by the Agency.
- 1.7 **Financial Proposal** means the Contractor's Financial Proposal dated _____, 2010 [and amended _____ by BAFO].
- 1.8 **Procurement Officer** means the individual identified in Section 1.5 of the RFP or a successor designated by the Agency.
- 1.9 **RFP** means the Request for Proposals for Executive Search Services for the Maryland State Retirement Agency, No. SRA 11-07 dated _____, 2010 [as amended by Addendum # ___ dated ___].
- 1.10 **State** means the State of Maryland.
- 1.11 **System** means the Maryland State Retirement and Pension System.
- 1.12 **Technical Proposal** means the Contractor's Technical Proposal, dated _____ [and amended _____].

2 Scope of Work

- 2.1 The Contractor shall provide Executive Search Services as described in the above-defined RFP to the Maryland State Retirement Agency. These services shall be provided in accordance with this Contract and the following exhibits, which are attached and incorporated herein by reference:

Exhibit A – The RFP
Exhibit B – The Technical Proposal
Exhibit C – The Financial Proposal
Exhibit D – Contract Affidavit
Exhibit E – Living Wage Affidavit
Exhibit I- Confidentiality and Non-Disclosure Agreement

- 2.2 If there are any inconsistencies between this Contract and Exhibits A, B, C, D, E and F, the terms of this Contract shall control. If there is any conflict among the Exhibits, Exhibit A shall control.
- 2.3 The Procurement Officer may, at any time, by written order, make changes in the work within the general scope of the Contract. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under Section 8 of this Contract, Disputes. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.
- 2.4 This Contract, together with the attached Exhibits, constitutes the entire agreement between the parties, and no other understandings or representations between the parties, whether written or oral, regarding the subject matter of the Contract, shall be deemed to exist or to bind the parties hereto at the time of execution.

3 Time for Performance

- 3.1 Unless sooner terminated in accordance with the provisions of this Contract:
- 3.1.1 the term of this Contract shall be for a 24 month period beginning _____, 2010, and ending _____, 2012;
- 3.1.2 The provisions of Sections 5, 6, and 20 of this Contract shall survive termination of this Contract for any reason.

4 Consideration and Payment

- 4.1 In consideration of the satisfactory performance of the work set forth in this Contract, the Agency shall pay the Contractor in accordance with the terms of Exhibits A and C. Except with the express written consent of the Procurement Officer, payment to the Contractor for the services required pursuant to this Contract shall not exceed \$ _____ during the entire term of this Contract.
- 4.2 Invoices must be provided in the format and on the schedule identified in the RFP. Each invoice must include the Contractor's federal tax identification number, which is _____. The Contractor's eMaryland Marketplace identification number is _____. Payments to the Contractor pursuant to this Contract shall be made no later than 30 days after the State's receipt of a proper invoice from the Contractor. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, are prohibited. The final payment under this Contract will not be made until after certification is received from the Comptroller of the State that all taxes have been paid.
- 4.3 In addition to any other available remedies if, in the opinion of the Procurement Officer, the Contractor fails to perform in a satisfactory and timely manner, the Procurement Officer may refuse or limit approval of any invoice for payment, and may cause payments to the

Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the Procurement Officer pursuant to this Contract.

- 4.4 Electronic funds transfer will be used by the State to pay the Contractor for this Contract and any other State payments due Contractor unless the State's Comptroller Office grants the Contractor an exemption.

5 Rights to Records

- 5.1 The Contractor agrees that all documents and materials, including but not limited to, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, computations and data prepared by the Contractor for purposes of this Contract shall be the sole property of the Agency and shall be available to the Agency at any time. The Agency shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract. Nothing in this Section 5 shall abrogate or transfer any intellectual property rights of the Contractor in its proprietary information related to its methodologies, methods of analysis, ideas, know-how, methods, techniques and skills possessed prior to this Contract.
- 5.2 The Contractor agrees that at all times during the term of this Contract and thereafter, the works created and services performed under this Contract shall be "works made for hire" as that term is interpreted under U.S. copyright law. To the extent that any products created under this Contract are not works for hire for the Agency, the Contractor hereby relinquishes, transfers, and assigns to the State all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the State in effectuating and registering any necessary assignments.
- 5.3 The Contractor shall report to the Agency, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.
- 5.4 The Contractor shall not affix any restrictive markings upon any data and if such markings are affixed, the Agency shall have the right at any time to modify, remove, obliterate, or ignore such warnings.
- 5.5 Upon termination of this Contract, the Contractor, at its own expense, shall deliver any equipment, software or other property provided by the State to the place designated by the Procurement Officer.
- 5.6 At the request of the Contract Manager, the Contractor shall provide the aforementioned documents, materials, records, raw data or knowledge to any subsequent contractor engaged by the Agency or State to perform Executive Search Services as described in the attached RFP. Provision of this data would be limited so as not to compromise proprietary analytical tools of the contractor or violate the privacy requirements of the Agency.

6 Confidentiality

Subject to the Maryland Public Information Act and any other applicable laws, including all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law and the confidentiality provisions of the RFP. The provisions of this section shall not apply

to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

7 Non-Hiring of Employees

No official or employee of the State of Maryland as defined under State Government Article section 15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract shall, during the pendency and term of this Contract and while serving as an official or employee of the State become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

8 Disputes

This Contract shall be subject to the provisions of Title 15, Subtitle 2, of the State Finance and Procurement Article of the Annotated Code of Maryland, as from time to time amended, and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision. Unless a lesser period is provided by applicable statute, regulation, or the Contract, the Contractor must file a written notice of claim with the Procurement Officer within 30 days after the basis for the claim is known or should have been known, whichever is earlier. Contemporaneously with or within 30 days of the filing of a notice of claim, but no later than the date of final payment under the Contract, the Contractor must submit to the Procurement Officer its written claim containing the information specified in COMAR 21.10.04.02.

9 Maryland Law

This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.

10 Nondiscrimination in Employment

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

11 Contingent Fee Prohibition

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the Contractor to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation or other entity, other than a bona fide employee, bona fide salesperson or commercial selling agency, any fee or other consideration contingent on the making of this Contract.

12 Non-availability of Funding

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be canceled automatically as of the beginning of the fiscal year for which funds were

not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

13 Termination for Cause

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State of Maryland shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the termination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

14 Termination for Convenience

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination, and all reasonable costs associated with termination of the Contract; provided, however, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12 (A)(2).

15 Delays and Extensions of Time

The Contractor agrees to perform the work under this Contract continuously and diligently. No charges or claims for damages shall be made by the Contractor for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

16 Suspension of Work

The State unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer or Contract Manager may determine to be appropriate for the convenience of the State.

17 Pre-Existing Regulations

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, the regulations set forth in Title 21 of

the Code of Maryland Regulations (COMAR 21) in effect on the date of execution of this Contract are applicable to this Contract.

18 Financial Disclosure

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, as from time to time amended, which requires that every business that enters into contracts, leases, or other agreement with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of the State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

19 Political Contribution Disclosure

The Contractor shall comply with the Election Law Article, Sections 14-101 through 14-108, of the Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State, a county or an incorporated municipality or their agencies, during a calendar year under which the person receives in the aggregate \$100,000 or more, shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (1) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending July 31.

20 Retention of Records

The Contractor shall retain and maintain all records and documents in any way relating to this Contract for three years after final payment by the State of Maryland under this Contract or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or the Procurement Officer's designee, at all reasonable times. All records related in any way to the Contract are to be retained for the entire time provided under this section.

21 Compliance with Laws

The Contractor hereby represents and warrants that:

- 21.1 It is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
- 21.2 It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
- 21.3 It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and
- 21.4 It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

22 Cost and Price Certification

By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of a mutually determined specified date prior to the conclusion of any price discussions or negotiations.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon by the parties, was inaccurate, incomplete, or not current.

23 Subcontracting; Assignment

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the Agency or State. The Contractor may not assign this Contract or any of its rights or obligations hereunder, without obtaining the prior written approval of the Agency or State. Any such subcontract or assignment shall include the terms of Sections 7, and 9 through 22 of this Contract and any other terms and conditions that the Agency or State deems necessary to protect its interests. Neither the Agency nor the State shall be responsible for the fulfillment of the Contractor's obligations to its subcontractors or assignees.

24 Indemnification

- 24.1 The Contractor shall indemnify the State against liability for any costs, expenses, loss, suits, actions, or claims of any character arising from or relating to the performance of the Contractor or its subcontractors under this Contract.
- 24.2 The State of Maryland has no obligation to provide legal counsel or defense to the Contractor or its subcontractors in the event that a suit, claim or action of any character is brought by any person not party to this Contract against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.
- 24.3 The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.
- 24.4 The Contractor shall immediately notify the Procurement Officer of any claim or suit made or filed against the Contractor or its subcontractors regarding any matter resulting from or relating to the Contractor's obligations under the Contract, and will cooperate, assist, and consult with the State in the defense or investigation of any claim, suit, or action made or filed against the State as a result of or relating to the Contractor's performance under this Contract.

25 Commercial Nondiscrimination

- 25.1 As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply

opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

- 25.2 The Contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by DBM, in all sub-contracts.
- 25.3 As a condition of entering into this Contract, upon the Maryland Human Relations Commission's request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the state of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that is requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions.

26 Living Wage Requirements

- 26.1 A State contract valued at \$100,000 or more may be subject to Maryland's Living Wage Law, Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in the RFP for this Contract.
- 26.2 Contractors subject to the Living Wage Law shall pay each covered employee at least the minimum amount set by law for the applicable Tier Area. If Contractor is an out of state contractor, this contract is deemed to be a Tier 1 Contract.

27 Administrative

- 27.1 Procurement Officer. The work to be accomplished under this Contract shall be performed under the direction of the Procurement Officer and the Contract Manager. All matters relating to the interpretation of this Contract shall be referred to the Procurement Officer for determination.
- 27.2 Waiver. No failure or delay on the Agency's part in exercising any right or remedy hereunder shall operate as a waiver thereof. No waiver by either party of any failure or refusal to comply with an obligation hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply. No modification or waiver shall be effective unless it is in writing and duly executed by the Agency.
- 27.3 Notices. All notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid as follows:

If to the State:

R. Dean Kenderdine
Executive Director
Maryland State Retirement Agency

120 East Baltimore Street, 16th Floor
Baltimore, Maryland 21202
Telephone#: (410) 625-5601
Fax #: (410) 468-1710
email: dkenderdine@sra.state.md.us

With copy to:

Cathie L. Nash
Procurement Officer
Maryland State Retirement Agency
120 East Baltimore Street, Room 1406
Baltimore, Maryland 21202
Telephone #: 410-625-5656
Fax #: 410-468-1704
email: cnash@sra.state.md.us

If to the Contractor:

IN WITNESS THEREOF, the parties have executed this Contract as of the date hereinabove set forth.

CONTRACTOR

MARYLAND STATE RETIREMENT AGENCY

By: _____
Name: _____
Title: _____
Company: _____

By: _____
R. Dean Kenderdine
Executive Director
Maryland State Retirement Agency

Date

Date

ATTEST /WITNESS:

By: _____
Name: _____
Title: _____
Company: _____

By: _____
Cathie L. Nash
Procurement Officer
Maryland State Retirement Agency

Approved for form and legal
sufficiency this _____ day
of _____ 2010.

Melissa M. Harrison
Assistant Attorney General

EXECUTIVE SEARCH SERVICES SRA 11-07

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) _____
and the duly authorized representative of (business) _____
and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in §19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid. As part of its bid or proposal, the bidder herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the bidder discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

B-1. Certification Regarding Minority Business Enterprises.

The undersigned bidder hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, §14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a bid or proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the bid or proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the contract; or
- (4) Pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid.

C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
 - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
 - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961 et seq., or the Mail Fraud Act, 18 U.S.C. §1341 et seq., for acts in connection with the submission of bids or proposals for a public or private contract;
- (4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (5) Been convicted of a violation of §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;

- (7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract;
- (8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract; or
- (9) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B and C and subsections D(1)—(8) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

- (1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and
- (2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

G. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

- (1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;
- (2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

I. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

J. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14-101—14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

K. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

- (1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.
- (2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:
 - (a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;
 - (b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;
 - (c) Prohibit its employees from working under the influence of drugs or alcohol;
 - (d) Not hire or assign to work on the contract anyone whom the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;
 - (e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;
 - (f) Establish drug and alcohol abuse awareness programs to inform its employees about:
 - (i) The dangers of drug and alcohol abuse in the workplace;
 - (ii) The business' policy of maintaining a drug and alcohol free workplace;
 - (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
 - (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;
 - (g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §K(2)(b), above;
 - (h) Notify its employees in the statement required by §K(2)(b), above, that as a condition of continued employment on the contract, the employee shall:
 - (i) Abide by the terms of the statement; and
 - (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;
 - (i) Notify the procurement officer within 10 days after receiving notice under §K(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

- (j) Within 30 days after receiving notice under §K(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:
 - (i) Take appropriate personnel action against an employee, up to and including termination; or
 - (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and
 - (k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §K(2)(a)—(j), above.
- (3) If the business is an individual, the individual shall certify and agree as set forth in §K(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.
- (4) I acknowledge and agree that:
- a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;
 - b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and
 - c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

L. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

- (1) _____ The business named above is a (domestic _____) (foreign _____) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is:
 Name: _____
 Address: _____
 (If not applicable, so state).
- (2) Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

M. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

N. Repealed.

O. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____ By: _____
(Authorized Representative and Affiant)

ATTACHMENT C – CONTRACT AFFIDAVIT

EXECUTIVE SEARCH SERVICES SRA 11-07

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) _____
and the duly authorized representative of (business) _____
and that I possess the legal authority to make this Affidavit on behalf of myself and the business for
which I am acting.

B. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

1. The business named above is a (domestic_____) (foreign_____) corporation registered in accordance with Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessment and Taxation is:

Name: _____
Address: _____

2. Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor Licensing and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

C. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgments contained in that certain Bid/Proposals Affidavit dated _____, 2010 and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: _____ BY: _____
(Authorized Representative and Affidavit)

EXECUTIVE SEARCH SERVICES SRA 11-07

THIS CONFIDENTIALITY and NON-DISCLOSURE AGREEMENT (Agreement) is made as of this ___ day of _____, 2010, by and between the state of Maryland (State), acting by and through the Maryland State Retirement Agency (Agency), and _____ (Contractor), a corporation with its principal business office located at _____.

RECITALS

WHEREAS, in order for the Contractor to perform the work required under the Contract issued pursuant to the RFP, and in consideration of this Agreement, it will be necessary for the State to provide the Contractor and the Contractor's employees and agents (collectively the "Contractor's Personnel") with access to certain confidential information regarding the Executive Search Services (Confidential Information).

NOW, THEREFORE, in consideration of being given access to the Confidential Information in connection with the RFP, Contract, and this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties do hereby agree as follows:

1. Confidential Information means any and all information provided by or made available by the State to the Contractor in connection with the Contract, regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.
2. Contractor shall not, without the State's prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information provided by the State except for the sole and exclusive purpose of performing under the Contract. Contractor shall limit access to the Confidential Information to the Contractor's Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information. The names of the Contractor's Personnel are attached hereto and made a part hereof as Appendix A. Each individual whose name appears on Appendix A is subject to the terms and conditions of this Agreement, and the Contractor shall be responsible and liable for the actions of such Contract personnel in relation to the RFP, Contract and this Agreement. Contractor shall update Appendix A by adding additional names as needed, from time to time.
3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor's performance of the Contract or who will otherwise have a role in performing any aspect of the Contract, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute discretion.
4. Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, to adopt or establish operating procedures and physical security measures, and to take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information.
5. Contractor shall promptly advise the State in writing if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor's Personnel or the Contractor's former Personnel. Contractor shall, at its own expense,

cooperate with the State in seeking injunctive or other equitable relief against any such person(s).

6. Contractor shall, at its own expense, return to the Agency, all copies of the Confidential Information in its care, custody, control or possession upon request of the Agency or on termination of the Agreement.
7. A breach of this Agreement by the Contractor or by the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.
8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and/or to seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and/or costs.
9. Contractor shall execute a copy of this Agreement and provide the original of such executed Agreement to the State.
10. The parties further agree that:
 - a. This Agreement shall be governed by the laws of the State of Maryland;
 - b. The rights and obligations of the Contractor under the Contract and this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the State;
 - c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
 - d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement or the Contract;
 - e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures; and
 - f. The Recitals are not merely prefatory but are an integral part hereof.

Contractor/ Contractor's Personnel:

Name: _____

Title: _____

Date: _____

Maryland State Retirement Agency

Name: _____

Title: _____

Date: _____

ATTACHMENT E – FINANCIAL PROPOSAL INSTRUCTIONS AND FORM

EXECUTIVE SEARCH SERVICES SRA 11-07

FINANCIAL PROPOSAL FORM

I. INSTRUCTIONS

A. In the blank below, the Offeror must provide a single percentage fee proposal for the Offeror to perform the Initial Search for a CIO candidate to fill the current CIO vacancy in the Agency (Initial CIO) as described in this RFP. If for any reason the Initial CIO leaves the employment of the Agency within one year of the Initial CIO's start date with the Agency, a one-time additional executive search for a replacement CIO in accordance with the specifications set forth in this RFP shall occur at the sole cost and expense of the Contactor. Except for certain travel expenses specifically described in Section 4.5.1.4 of the RFP, the percentage fee proposed below shall include all of the Offeror's expenses to fully perform any and all services requested pursuant to the RFP and resultant Contract.

B. Complete contact information.

II. PRICE TABLE

Fixed Percentage of _____% of the actual base salary, excluding benefits, bonus and incentives, of the Initial CIO.

OFFEROR NAME	TITLE	
STREET ADDRESS		
CITY	STATE	ZIP CODE
OFFICE PHONE NUMBER	FAX NUMBER	
EMAIL ADDRESS	FEDERAL EMPLOYER IDENTIFICATION NUMBER	
SIGNATURE		

ATTACHMENT F – CONFLICT OF INTEREST AFFIDAVIT/DISCLOSURE

EXECUTIVE SEARCH SERVICES SRA 11-07

- A. "Conflict of Interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the State, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.
- B. "Person" has the meaning stated in COMAR 21.01.02.01B (64) and includes a bidder, Offeror, Contractor, consultant, or subcontractor or sub consultant at any tier, and also includes an employee or agent of any of them if the employee or agent has or will have the authority to control or supervise all or a portion of the work for which a bid or offer is made.
- C. The bidder or Offeror warrants that, except as disclosed in §D, below, there are no relevant facts or circumstances now giving rise or which could, in the future, give rise to a conflict of interest.
- D. The following facts or circumstances give rise or could in the future give rise to a conflict of interest (explain in detail—attach additional sheets if necessary).

- E. The bidder or Offeror agrees that if an actual or potential conflict of interest arises after the date of this affidavit, the bidder or Offeror shall immediately make a full disclosure in writing to the Procurement Officer of all relevant facts and circumstances. This disclosure shall include a description of actions which the bidder or Offeror has taken and proposes to take to avoid, mitigate, or neutralize the actual or potential conflict of interest. If the contract has been awarded and performance of the contract has begun, the Contractor shall continue performance until notified by the Procurement Officer of any contrary action to be taken.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____
(Authorized Representative)

By: _____

ATTACHMENT G – OFFEROR’S CHECKLIST

EXECUTIVE SEARCH SERVICES SRA 11-07

RFP	Requirement	Y/N	Remarks
4.2	Was Vol I sealed separately from Vol II but submitted simultaneously?		
4.2	a. Was an unbound original submitted with five (5) copies of the Vol I-Technical Proposal? b. Was an unbound original submitted with five (5) copies of the Vol II – Financial Proposal?		
4.2	a. Was an electronic version submitted for Vol I? b. Was an electronic version submitted for Vol II?		
4.2	Was the electronic media labeled with the RFP title/number, Offeror name and appropriate volume number?		
4.3	Were separate volumes labeled Vol I—Technical Proposal and Vol II—Financial Proposal, in sealed packages bearing RFP title & number, name/address of Offeror, and closing date/time on outside of the packages? Were Technical Proposal pages numbered consecutively?		
4.4.1	Was there a letter, which transmitted the Technical Proposal and acknowledged the receipt of any addenda or amendments, and did an individual authorized to commit the Offeror to the services and requirements of the RFP sign the letter?		
4.4.2	Were proposals numbered to match numbering in RFP?		
4.4.3	Did the Technical Proposal begin with a title page bearing the name and address of the Offeror and the name and number of the RFP followed by a table of contents for the Technical Proposal? Was confidential information identified after the title page?		
4.4.6	Is there a separate executive summary, which condenses and highlights the contents of the Technical Proposal?		
4.4.6	Does the executive summary state that no exceptions were taken by the Offeror to the requirements of the RFP, the Contract (Attachment A) or any other Attachments?		
4.4.9 – 4.4.10	Does Exp & Capabilities info include a description of past experience in providing similar services, MD contract history, and five (5) references (Attachment L)?		
4.4.12.- 4.4.15.	Did the Offeror submit a staffing plan, résumés, a personnel summary, Conflict of Interest affidavit, and financial statements?		
4.4.16	Did the Offeror provide a completed Bid/Proposal Affidavit (Attachment B—with original of Technical Proposal only)? Were all the blocks filled in and was the Bid/Proposal Affidavit signed?		

Transaction requested:

1. ___ Initiate all disbursements via EFT to the above account.
2. ___ Discontinue disbursements via EFT, effective_____
3. ___ Change the bank account to above information – a copy of the approved Registration Form for the previous bank account must be attached.

I am authorized by *_____ (hereinafter Company) to make the representations contained in this paragraph. Company authorizes the Comptroller and the Treasurer of Maryland to register it for electronic funds transfer (EFT) using the information contained in this registration form. Company agrees to receive all funds from the State of Maryland by electronic funds transfer according to the terms of the EFT program. Company agrees to return to the State of Maryland any EFT payment incorrectly disbursed by the State of Maryland to the Company's account. Company agrees to hold harmless the State of Maryland and its agencies and departments for any delays or errors caused by inaccurate or outdated registration information or by the financial institution listed above.

*Name of registering business entity

Signature of individual, company treasurer, controller, or chief financial officer and date

Completed by GAD/STO

Date Received_____

GAD registration information verified_____ Date to STO_____

STO registration information verified_____ Date to GAD_____

R*STARS Vendor No. and Mail Code Assigned:

State Treasurer's Office Approval Date

General Accounting Division Approval Date

To Requestor:

Please retain a copy of this form for your records. Please allow approximately 30 days from the date of your request for the Comptroller's and Treasurer's Offices to process your request. Failure to maintain current information with this office could result in errors in payment processing. If you have any questions, please call the EFT registration desk at 410-260-7375.

Please submit form to: EFT Registration, General Accounting Division
Room 205, P.O. Box 746
Annapolis, Maryland 21404-0746
(or) Fax: 410-974-2309

Instructions: Electronic Funds Transfer instructions are located: <http://compnet.comp.state.md.us/gad>. Questions may be requested by email, gad@comp.state.md.us. Or call 1-888-784-0144.

ATTACHMENT I – TRANSMITTAL LETTER FORM

EXECUTIVE SEARCH SERVICES SRA 11-07

A. TRANSMITTAL LETTER

- | | | |
|---|-----|----|
| 1. Offeror's names, address, telephone number, email address, facsimile number. | Yes | No |
| 2. Offeror's Federal Employer Identification Number. | Yes | No |
| 3. The name, title or position, email address and telephone number of individual signing the cover letter. | Yes | No |
| 4. A statement indicating the signer is authorized to bind the Offeror contractually. | Yes | No |
| 5. If different than number 3 above, name, title or position, email address and telephone number of the primary contact and/or Account Manager. | Yes | No |
| 6. Statement expressing the Offeror's willingness to perform the services as described in this RFP. | Yes | No |
| 7. Statement expressing the Offeror's acceptance of all terms and conditions as set forth in this RFP, Contract and Attachments. | Yes | No |
| 8. Statement expressing the Offeror's availability of staff and other required resources for performing all services indicated. | Yes | No |

B. TECHNICAL PROPOSAL

- | | | |
|--|-----|----|
| 1. Technical proposal signed by the individual authorized to bind the Offeror contractually clearly labeled "Volume I Technical Proposal". | Yes | No |
|--|-----|----|

C. FINANCIAL PROPOSAL

- | | | |
|---|-----|----|
| 1. Financial proposal clearly labeled "Volume II Financial Proposal". | Yes | No |
|---|-----|----|

Please be advised that no financial or pricing information should be contained in the Transmittal Letter.

ATTACHMENT J – LIVING WAGE REQUIREMENTS FOR SERVICE CONTRACTS

- A. This Contract is subject to the Living Wage requirements under Title 18, State Finance and Procurement Article, Annotated Code of Maryland and the regulations proposed by the Commissioner of Labor and Industry. The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract.
- B. The Living Wage Law does not apply to:
1. A Contractor who:
 - a. has a State contract for services valued at less than \$100,000, or
 - b. employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
 2. A Subcontractor who:
 - a. performs work on a State contract for services valued at less than \$100,000,
 - b. employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
 - c. performs work for a contractor not covered by the Living Wage Law as defined in B(1)(b) above, or B (3) or C below.
 3. Service contracts for the following:
 - a. services with a Public Service Company;
 - b. services with a nonprofit organization;
 - c. services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement (Unit); or
 - d. services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.
- D. A Contractor must not split or subdivide a State contract for services, pay an employee through a third party, or treat an employee as an independent contractor or assign work to employees to avoid the imposition of any of the requirements of Title 18, State Finance and Procurement, Annotated Code of Maryland.
- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.

- F. The Commissioner of Labor and Industry shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's Website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in §18-103(c), State Finance and Procurement Article, Annotated Code of Maryland, shall not lower an employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner of Labor and Industry.
- H. A Contractor/Subcontractor may reduce the wage rates paid under §18-103(a), State Finance and Procurement, Annotated Code of Maryland, by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland.
- I. Under Title 18, State and Finance Procurement Article, Annotated Code of Maryland, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.
- J. Information pertaining to reporting obligations may be found by going to the DLLR Website <http://www.dllr.state.md.us> and clicking on Living Wage.

ATTACHMENT K – LIVING WAGE AFFIDAVIT OF AGREEMENT

Maryland Living Wage Requirements - Service Contracts

EXECUTIVE SEARCH SERVICES SRA 11-07

Contract No. _____

Name of Contractor _____

Address _____

City _____ State _____ Zip Code _____

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from Maryland's Living Wage Law for the following reasons (check all that apply):

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

If the Contract is a Living Wage Contract

A. The Undersigned, being an authorized representative of the above named Contractor, hereby affirms our commitment to comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living wage rate in effect at the time service is provided for hours spent on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

B. _____(initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply):

- The employee(s) proposed to work on the contract will spend less than one-half of the employee's time during any work week on the contract
- The employee(s) proposed to work on the contract is 17 years of age or younger during the duration of the contract; or
- The employee(s) proposed to work on the contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Affidavit of Agreement (*continued*)
Maryland Living Wage Requirements-Service Contracts

EXECUTIVE SEARCH SERVICES SRA 11-07

Name of Authorized Representative: _____

Signature of Authorized Representative Date

Title

Witness Name (Typed or Printed)

Witness Signature Date

ATTACHMENT L – REFERENCES

MARYLAND STATE RETIREMENT AGENCY

EXECUTIVE SEARCH SERVICES SRA 11-07

Submit 1 Form for each Reference

Reference #

Name:

Company:

Address:

Contact Person:

Phone Number / Fax Number / E-mail Address:

Period of Contract

From:

To:

Please describe what type of reference (public retirement systems, private pension plans, endowments, foundations, investment management firms, or other [clearly identify category here].) this is.

Please describe the nature of the services that you provided.

Please describe the differences and similarities between the services provided and the services being requested by the Agency.

ATTACHMENT M – DESCRIPTION OF CIO POSITION

EXECUTIVE SEARCH SERVICES SRA 11-07

The Agency is seeking an exceptional individual to serve as Chief Investment Officer (CIO). The CIO will oversee management of the \$32 billion investment portfolio; make recommendations to the Board and implement investment policy, strategy, and asset allocation; lead the selection, monitoring, evaluation and termination of external investment asset managers within parameters set by Board policy; lead the selection of and investment in specific investment vehicles, within parameters set by Board policy; provide oversight to the development of all asset classes; and supervise investment staff.

The compensation anticipated to be paid to the selected CIO is \$200,000 - \$300,000 base salary with additional incentive compensation of up to 33% of base salary.

The minimum requirements for the CIO are:

Education: BA or BS degree in Accounting, Business, Economics or other relevant field.

Experience: At least 10 years direct experience in investment portfolio management and/or manager evaluation, including at least five years experience in administration and management of an investment organization.

A comprehensive background check will be required of the selected candidate.

Additional considerations:

Strongly prefer a candidate who is a Chartered Financial Analyst or has a Masters in Business Administration. Documented experience successfully working with Boards is preferred. Experience with a public pension plan is preferred.

Additional information:

The main duties of the CIO include:

- Through leadership, supervision and guidance of investment staff professionals, exercise responsibility for the implementation of the Agency's investment initiatives in accordance with federal and State law and policies and procedures established by the Board of Trustees.
- Plan, develop, and recommend to the Executive Director, the Investment Committee, and the Board of Trustees comprehensive, continuing policies for the various asset classes invested by the System.
- Evaluate and recommend investment vehicles and concepts consistent with appropriate risk / return objectives established by the Board of Trustees.
- Maintain and recommend changes to the System's Investment Policy Manual. Promote best practices.
- Direct the hiring, evaluation and termination of the System's asset managers, and the selection of and investment in specific investment vehicles, within parameters set by the Board of Trustees. Direct the management and evaluation of the System's portfolios of public equity (including U.S., international and global equity), fixed income, credit/debt strategies, and alternative investments (including real estate, real return, private equity and absolute return investments). Have overall

responsibility for compliance with established guidelines, strategies and industry standards. Direct asset allocation studies to ensure optimum balance of asset classes in the portfolio in relation to appropriate risk tolerance established by the Board.

- Determine certain asset allocations within established ranges.
- Direct the management of risk in investment management and investment operations and accounting.
- Participate in the evaluation and selection of investment consultants.
- Staff various committees of the Board of Trustees.
- Maintain and develop professional skills and knowledge through participation in pension fund industry groups and conferences.
- Coordinate with the System's Actuary to integrate the projected liabilities of the System in projection of future cash flow needs in asset allocation and asset liability studies.
- Oversee and perform market research and analysis.
- Appear and testify before the General Assembly, State legislative committees, and other governmental bodies on behalf of the Agency.
- Maintain liaisons with Board members, State legislators, investment consultants, investment managers, brokers, and others relating to the System's investments.
- Recommend:
 - Investment strategies to achieve portfolio goals, total return objectives, and risk tolerance levels to the Board of Trustees, Investment Committee and Executive Director.
 - Investment allocation percentage ranges for optimal portfolio performance.
 - Appropriate investment performance measurement standards for portfolio management.
 - Resources (human and financial) required to effectively and efficiently accomplish mission, goals & objectives of the Investment Division.

APPENDIX A

EXECUTIVE SEARCH SERVICES SRA 11-07

Attachment to Confidentiality and Non Disclosure Agreement

The names of the Contractor personnel assigned to this contract are listed below:

Print Name

Signature
