

April 25th, 2011

REQUEST FOR PROPOSALS TO PROVIDE CONSULTING SERVICES



ISSUED BY THE:
COMMISSION ON GOVERNMENT
FORECASTING and ACCOUNTABILITY
703 Stratton Office Building
Springfield, Illinois 62706

Proposals due May 13th, 2011
(No later than 4:30 p.m. CST)
REQUEST FOR PROPOSALS (RFP)
TO PROVIDE CONSULTING SERVICES
TO THE COMMISSION ON GOVERNMENT FORECASTING
AND ACCOUNTABILITY

Overview. The Commission on Government Forecasting and Accountability (the “CGFA”) is seeking proposals to provide the CGFA with consulting services.

The CGFA, which is a bipartisan, joint legislative commission that provides the Illinois General Assembly with information on various topics, is seeking the proposals based on the recommendation of its Commission members. At the Commission’s March 10th, 2011 meeting, the Commission voted to authorize an outside independent consultant to conduct a study of the feasibility of creating a statewide investment pool for Downstate police and fire pension funds, pursuant to P.A. 96-1495 (SB 3538).

Scope of Services

Currently, there are approximately 640 police and fire pension funds in Illinois (excluding Chicago) that invest pension fund assets independently. The consultant will proceed under the assumption that all police and fire pension funds will relinquish investment authority to the newly-created investment pool, and that all assets that are now managed at the local level will be commingled into one unified investment pool at some future date. The consultant will be responsible for recommending a plausible timeframe during which this transition should take place. The consultant will work with CGFA staff to determine if the investment pool should operate under the auspices of an existing statewide public pension fund investment authority, or if a new statewide entity should be created solely for the purpose of investing and overseeing the commingled assets of local police and fire pension funds.

The study will examine various investment expenses associated with the creation of an investment pool, such as investment management fees, custodial fees, legal fees, investment consulting fees, and other functions impacted by the creation of an investment pool. The consultant will also include an analysis of expected transition costs as assets from police and fire pension funds are liquidated and merged into the investment pool. To the extent possible, the consultant should project costs/savings in each fiscal year for a statistically representative sample of municipalities during which transition costs and other related costs are expected to be incurred, as well as a projection of long-term costs/savings (30-40 years), both statewide and also for the sampled municipalities. The consultant may use other states as a template for examining the cost and/or savings associated with the creation of a statewide investment pool for police and fire pension funds in Illinois.

Key Dates:

- RFP issued on April 25th, 2011
- Deadline for vendors to submit bids: May 13th, 2011
- Preliminary deadline for successful bidder to complete report: November 1, 2011

The CGFA reserves the right to reject any and all proposals, waive any irregularities of proposals, request clarification or additional information from any respondents and enter into any agreement as it may determine. This RFP is not subject to the provisions of the Illinois Procurement Code. This RFP is (or will be) available online at <http://www.ilga.gov/commission/cgfa2006/Home.aspx> Questions about this RFP may be directed to Executive Director Dan R. Long, CGFA, (217) 782-5320, dlong@ilga.gov or Deputy Director Trevor J. Clatfelter, CGFA, (217) 782-5320, tclatfelter@ilga.gov

Proposals Due. Proposals must be received no later 4:30 p.m. (Central Standard Time) Friday, May 13th, 2011. Ten copies, including one unbound copy, of each proposal shall be sent to the attention of Dan R. Long, Executive Director, Commission on Government Forecasting and Accountability, 703 Stratton Office Building, Springfield, Illinois 62706. If available, a copy of each proposal also may be submitted on a CD. Proposals shall address all information requested in this RFP and shall be, if possible, limited to 25 pages including any appendices.

Please notify the CGFA of your intent to respond to this RFP at your earliest convenience, via email to Dan Long at dlong@ilga.gov

The Commission asks that the consultant use any and all available data from CGFA and other sources to implement this study. Specifically, services to be provided to the CGFA by the consultant shall include, but are not limited to the following:

- If requested, meet in person or via telephone with staff of the CGFA and legislative staffs as needed.
- The CGFA tentatively expects to select a consultant by May 20th, 2011 and under the terms of the contract expects to require completion of the consultant's report by November 1, 2011. The completion date may be revised based on discussions with the selected vendor.
- Contract terms will include certifications by the consultant as required by Illinois State law, including but not limited to, certifications regarding compliance with non-discrimination requirements; anti-bribery, conflicts of

interest, revolving-door prohibition and prohibitions against bid-rigging and bid-rotating. Payment under the contract will be subject to appropriation of funds by the Illinois General Assembly. The contract must include the consultant's agreement not to accept other clients or work during the term of the CGFA contract which, in the reasonable opinion of CGFA, may create a material conflict of interest with the work under the CGFA contract.

Response to RFP. All responses to this RFP must respond to the following questions in full. Additional information may be included in responses within the page limits.

1. **Identification and ownership or firm.** Briefly describe your firm or organization, including the types of work or services provided; identify the headquarters of the firm and its location and any additional offices and their locations, with the total number of staffers at each location. Identify by name the owners, including beneficial owners, of the firm. Briefly describe the background of principal owners or leaders of the firm.
2. **Experience of Firm and Assigned Personnel.** Describe the work experience and background of the firm and key personnel who would be assigned to the CGFA contract (including the day-to-day contact person, supervisor and staff), with estimates of the percentage of each person's total work time that would be devoted to the CGFA contract over the period of contract inception through completion of the report. Provide particular detail on experience related to the scope of services as listed above. State whether the firm and any assigned personnel has had prior experience with or is currently serving any governmental agency in the State of Illinois or any other private entity or organization with a substantial presence in the State of Illinois; and describe the nature and extent of such work.
3. **Potential Conflict of Interest.** State whether the firm believes any of its prior or current work would present a potential conflict of interest with the CGFA contract, and if so, whether the firm agrees to terminate any current work which, in the reasonable opinion of the CGFA, would present a potential conflict of interest with the CGFA contract. (Note, see contract terms regarding conflict of interest above.)
4. **Investigations/Litigation.** Indicate whether the firm or any of its principal owners are currently involved or have been involved within the past five years in any criminal or regulatory investigation or material litigation. Briefly describe any such investigation or litigation and any resolution.
5. **References.** Provide at least three references familiar with the work of primary assigned personnel, including contact names and telephone numbers.

6. **Work Approach.** Describe the approach the firm would take to fulfilling the CGFA contract, including identification of any critical information or factors that should be considered in complying with the provisions detailed in the scope of work section of this RFP.
7. **Fees.** Propose the fees you would charge if selected. Note, CGFA will not pay any separate charges for any expenses, including any travel, telephone or office or delivery charges. Fees may be proposed as a not-to-exceed lump sum or on an hourly or other basis; but if on an hourly or other basis, the firm must propose a maximum charge that will not be exceeded.

Evaluation of Proposals. CGFA will evaluate proposals on a variety of factors, including but not limited to the experience of the firm and assigned personnel. CGFA may ask some respondents to travel at their own expense for oral interviews in Springfield, Illinois or to be available for oral interviews by teleconference. CGFA reserves the right to negotiate best and final fees and contract terms and may reject all proposals.

DRL