



January 18, 2019

The following will serve as Amendment #2 to NYSIF's Request for Proposals (RFP) for a Muni Asset Manager, bid number 2018-92-INV. Material in this Amendment supersedes any contradictory material in the RFP.

- RFP Section 3 – Method of Evaluation and Criteria is hereby deleted in its entirety and replaced with the attached revised Section 3, Method of Evaluation.
- RFP Section 2.2.3. (Mandatory Requirements), is hereby revised to:

“Must have at least \$200mm in discretionary Assets Under Management of which at least \$50mm must be of municipal assets.”

- Amendment #1 (Q&A), response to question #13 is hereby revised to:

Per the revised Mandatory Requirements (Section 2.2.3) a firm may bid even without a dedicated muni mandate (assuming the other requirements are met).

- Amendment #1 (Q&A), response to question #22 is hereby revised to:

Please provide data on your dedicated taxable muni accounts (even if there is no composite). If there are no dedicated muni accounts, then please provide performance on any (taxable) muni exposure. Taxable muni performance information is preferred but tax-exempt performance will be accepted.

Please note that the due date for the submission of bids **has changed.**

All bids are now due on 2/8/19, by 2:00 p.m.(eastern).

Sincerely,

A handwritten signature in black ink that reads "Alexandria Romano".

Alexandria Romano
Contract Management Specialist 2

SECTION 3 – METHOD OF EVALUATION & CRITERIA

As required by New York State Finance Law §163, the award will be made on the basis of best value (the proposal which optimizes quality, cost and efficiency) to the responsive and responsible Bidder, as determined in the evaluation process. The contract will not be awarded solely on the basis of low bid. However, the Bidder with the low bid may be awarded the contract if it provides the best value, as defined above.

All proposals received will be reviewed and evaluated by a committee of individuals assigned by NYSIF personnel. The award(s) will be made to the Bidder(s) whose proposal receives the highest overall evaluation score based on the criteria stated herein.

Bidder may be requested by NYSIF to clarify the contents of their proposals. Other than to provide such information as may be requested by NYSIF, no Bidder will be allowed to alter its proposal or add new information after the final filing date and time.

The ability to perform the services is most important in evaluating proposals. The evaluation criteria are listed below in order of importance to NYSIF.

3.1 EVALUATION CRITERIA

The evaluation criteria will consist of three (3) separate parts: (1) a Technical Proposal, (2) a Financial Proposal, and (3) a Quantitative Factor for Business Certification as described below. Each component will be evaluated separately and independently in accordance with the RFP as further described below. The relative weights of each part of the Proposal are as follows:

1. Technical Proposal: 75%
2. Financial Proposal: 20%
3. Minority and Woman-Owned Business Enterprises (MWBE) Certification, Small Business Enterprise (SBE) status, Service Disabled Veteran Owned Business (SDVOB) Certification (per section 3.1.3): 5%

3.1.1 TECHNICAL

Capability of Bidder to perform the required services at the time of the bid, demonstrated ability to recruit and retain qualified staff for similar services, and the Bidder's experience in providing services of a similar scope. Includes references for Bidder and Bidder's liaison to NYSIF. (75% of the overall score). This process consists of the following steps:

1. Pass / Fail Evaluation: the technical evaluation team will inspect each Technical Proposal to determine if it contains responses to all of the mandatory requirements as described in section 2.2 of the RFP. Additional information regarding Appendix T, Vendor Security Survey, is included below in Section 3.3.

Please Note: Should a Bidder fail to meet any of the mandatory requirements (section 2.2), the Bidder will be disqualified, and no further evaluation or scoring will be completed.

2. Qualifications and Technical Evaluation: This phase of the Technical evaluation reviews the Bidders capability to meet NYSIF's needs as described in this RFP.

3.1.2 FINANCIAL EVALUATION

The Financial evaluation will be based upon a review of the Grand Total Cost of the Bidders Fee Schedule Proposal (Appendix Z), which details the total cost to provide all services listed within this RFP. (20% of the overall score)

3.1.3 QUANTITATIVE FACTOR FOR NYS CERTIFIED MINORITY AND WOMEN OWNED BUSINESSES, SMALL BUSINESSES, AND SERVICE DISABLED VETERAN OWNED BUSINESSES AS DEFINED IN NYS EXECUTIVE LAW

State Finance Law section 163(1)(j) allows, when making a Best Value determination, for the inclusion of a quantitative factor for Bidders that are Small Businesses, certified Minority or Women-owned Business Enterprises (MWBs), or Service Disabled Veteran Owned Businesses (SDVOBs) as defined in subdivisions 310(7), 310(15), 310(20), and 369-H of NYS Executive Law.

In accordance with such authority, five percent (5%) of the overall evaluation scale (referred to herein as the "quantitative factor") will be awarded to any responsive Bidder who meets one of the following criteria (NOTE: Although a Bidder may meet more than one of the criteria, credit is to be awarded for only one category, not multiple categories):

- a. The bidder is a New York State Certified Minority- Owned Business Enterprise (MBE) as defined in Executive Law 310(7) *or*
- b. The bidder is a New York State Certified Woman- Owned Business Enterprise (WBE) as defined in Executive Law 310(15) *or*
- c. The bidder is a Small Business Enterprise as defined in Executive Law Section 310(20) *or*
- d. The bidder is a Service Disabled Veteran Owned Business Enterprise (SDVOB as defined in Executive Law Section 369-H

3.1.4 EVALUATION PREROGATIVES

In addition, proposals will be evaluated for existing or potential conflicts of interest, for financial and operational stability, for adequacy and completeness, and to determine that all requirements of the RFP have been met. NYSIF reserves the right to disqualify a Bidder if, in NYSIF's sole opinion, the proposal does not pass the evaluation for any or all of the evaluation criteria.

For the purpose of insuring the completeness and comparability of offers, NYSIF reserves the right to analyze submissions and make adjustments or normalize submissions in the bid proposal, including the Bidder's technical assumptions, and underlying calculations and assumptions used to support the Bidder's computation of costs, or to apply such other methods, as it deems necessary to make level comparisons across bids.

3.2 **METHODOLOGY**

The proposals will be evaluated in a two-step process.

Step One will consist of a scored process based on the submitted proposals as described below. From Step One, the top bidders will advance to Step 2 (finalists). NYSIF may select the top six (6) Bidders plus any vendors within 10% of the first-place Bidder to attend an interview.

<u>Step 1 Criteria</u>	<u>Points</u>
Responses to Questions in Sections 2.3, 2.4, and 4.2	95
MWBE, SBE or SDVOB Status	5
<u>Total Points</u>	<u>100</u>

Once finalists are identified, they will move to Step Two. Points from Step One will not be added to points for Step Two.

Award(s) will be based solely on the scores received in Step Two.

Step Two will consist of interviews of the semi-finalists as described below. Cost will also be evaluated at this step.

<u>Step 2 Criteria</u>	<u>Points</u>
Strength/experience of proposed team and dedicated resources	20
Investment process and philosophy	20
Performance track record	20
Risk management systems, tools, and controls	15
Fees	20
MWBE, SBE, or SDVOB Status	5
<u>Total Points</u>	<u>100</u>

NYSIF will provide a list of subjects to be covered in the presentation/interview and questions to be addressed. Presentations should include how the Bidder would perform the services required in the contract. Contributions of the proposed lead personnel should be included.

Presentations may be up to 90 minutes. Questions may be asked by the evaluation committee based on material covered in the presentation/interview and/or in the proposal.

Presentation/interviews will be conducted in New York City or Albany. It will be the responsibility of the Bidder to present the proposed staff at the scheduled time. Bidders will be responsible for any and all costs associated with the presentation. Appointments will be made at least one week prior to the scheduled presentation/interview date.

3.3 **APPENDIX T, VENDOR SECURITY SURVEY**

NYSIF will review and evaluate the bidder's response to Appendix T, NYSIF Vendor Security Survey on a pass/fail basis. The minimum required implementation levels are defined in Appendix T, NYSIF Vendor Security Survey. Bidders who do not meet the minimum required implementation levels will

be disqualified.

- a. **Pass:** Meets or exceeds minimum implementation levels
- b. **Fail:** Does not meet minimum implementation levels

NYSIF reserves the right to seek non-material clarifications to the bidder's IT Data Security procedures if determined to be in NYSIF's best interest.

3.4 CONTRACT APPROVAL

The contract between NYSIF and the successful Bidder(s) will be subject to approval by the NYSIF Board of Commissioners and the NYS Department of Financial Services.