

Pension Administration Technology Futurist Consulting Services

Request for Proposal

August 2022

Orange County Employees Retirement System (OCERS)
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Section 1: Introduction

The Orange County Employees Retirement System (“OCERS”) is requesting proposals from qualified firms interested in providing Pension Administration Technology Futurist Consulting Services.

Questions about this RFP must be submitted in writing by 5:00 p.m., PDT, **September 14**, to Jim Doezie, Contracts, Risk & Performance Administrator, by email at jdoezie@ocers.org.

Those who wish to be considered must submit their completed proposal by 5:00 p.m., PDT, **October 7**, 2022. Specific instructions for proposal submissions are contained in Section 7 of this RFP.

Section 2: Background

OCERS was established in 1945 under the provisions of the County Employees Retirement Law of 1937, and provides members with retirement, disability, death, and cost-of-living benefits. There are approximately 50,000 members served by OCERS, of which over 19,000 are retirees and beneficiaries. OCERS is governed by a nine-member Board of Retirement (“Board”) which has plenary authority and fiduciary responsibility for investment of moneys and administration of the retirement system. OCERS has over ninety employees and the Board appoints a Chief Executive Officer who is responsible for the management of the agency. For additional information about OCERS, please refer to the OCERS website at ocers.org.

In late 2021 OCERS CEO Delaney met with the OCERS Board of Retirement as part of their annual Strategic Planning Workshop, and laid out what he termed “VISION 2030.”

That vision is to have the core functions of pension administration be AI driven by 2030. One focus area is to implement AI and remove the human actors from all benefit calculation processes ensuring only automated process driven calculations and set ups. The current process involves a number of manual calculations and decision-making points that takes an individual analyst approximately 6 hours per benefit to complete. This will allow the human staff to focus on what is most important, the hands-on human interaction with each individual member as they begin the often emotionally challenging process of retirement. The ideal futurist candidate would identify other possible opportunities for innovation for administration and operations of OCERS.

We use the term AI aspirationally, allowing technology beyond mere Machine Learning (ML) or Robotic Process Automation (RPA) to take on the complicated pension determination tasks presently performed by OCERS staff members. We do not however aspire to “true thought” on the part of whatever technology advancement we may be able to put in place by 2030.

Our initial timeline for VISION 2030 is as follows:

9/2021	Begin initial outreach to other public agencies seeking to leverage AI in the administration of their organizations. Seek to create a network of supporting organizations.
8/2022	Issue an RFP for a “Futurist”
9/2022	Issue an RFP for RPA (including process discovery, process analysis, use case analysis, use case recommendations, and RPA tool implementation)
Early 2023	Issue an RFP for a consultant to assist in drafting an RFP for a new Pension Administration System.

2023-2026	Implement new Pension Administration System, leveraging AI, RPA and ML where possible. Intent is to have a modular design where each module can be individually updated with AI technology as it develops.
2027-2029	Add increased AI capabilities to new Pension Administration System
2030	Pension Administration System, augmented by AI, can now calculate with 100% accuracy all pension benefit variants without human intervention while having transformed the entire organization with innovative AI solutions.

Expectation of a Technology Futurist

We believe the AI capabilities seen today will be vastly expanded by 2030, and we need to “futureproof” whatever we put in place during the remainder of this decade.

We want to eventually scale enterprise level Robotic Process Automation, Machine Learning, and other intelligent automation to assist us in streamlining and error proofing all of our primary processes, not limiting that outlook to a Pension Administration alone.

Our concern is that we do not want to be near our 2030 goal and look back with regret, wishing we had undertaken some task earlier in the process that would have benefited us at the final stages of our goal. We need a visionary who can assist in creating goals and timelines that “futureproof” our final Pension Administration System. We are seeking an analyst/consultant/strategist who knows how future technologies could fundamentally impact our business and future development.

The desired candidate should be able to look at the realm of possibilities and identify opportunities and uncover trends that others may struggle to see coming. This individual should have an eye towards how our business model or pension administration platform might be disrupted in the future. But they can’t stop there, the task at hand is to identify and thrive beyond the disruption, not simply avoid it.

The desired candidate will add detail to our vision.

What steps must OCERS take, in what order, to accomplish our goal?

What are the milestones we should expect to accomplish along the way?

Section 3: Scope of Services

The detailed scope of services for this engagement is outlined in the attached Exhibit “B” (“Scope of Services”).

The firm selected for this engagement will be expected to meet requirements that include, but are not limited to, the following:

1. The firm must have all necessary permits and licenses to perform the requested services and must be bonded where applicable.
2. Minimum insurance coverage must include the following items, and proof of such insurance must be provided to OCERS prior to the commencement of work, on an annual basis, and upon request:
 - Commercial General Liability: \$2M per occurrence, \$2M aggregate

- Automobile Liability: \$1M per occurrence, \$2M aggregate
- Workers Compensation: \$1M per occurrence, \$1M aggregate
- Umbrella Liability: \$5M per occurrence, \$5M aggregate
- *Professional Liability*: \$1M per occurrence, \$2M aggregate
- *Cyber Security Insurance*: \$2M per occurrence, \$5M aggregate

OCERS must be listed as an additional insured on the above policies.

3. The firm shall provide all personnel, equipment, tools, materials, vehicles, supervision, and other items and services necessary to perform all services, tasks, and functions as requested in this RFP.
4. The initial term of the contract awarded pursuant to this RFP will be for a six month period, with OCERS retaining the option to renew the contract, for up to a maximum period of six years.
5. All work under the contract awarded shall be performed and all equipment furnished or installed in accordance with applicable safety codes, ordinances, and other regulations, including the regulations of the State of California, Division of Industrial Safety and the provisions of the California Labor Code, the Occupational Safety and Health Act of 1970, the California Occupational Health and Safety Act.
6. Minimum Qualifications
All respondents are required to sign and return the "Minimum Qualifications Certification," attached as Exhibit "B."

Section 4: General Conditions

All terms, conditions, requirements, and procedures included in this RFP must be met for a proposal to be qualified. A proposal that fails to meet any material term, condition, requirement, or procedure of this RFP may be disqualified. OCERS reserves the right to waive or permit cure of non-material errors or omissions. OCERS reserves the right to modify, amend, or cancel the terms of this RFP at any time.

OCERS may modify this RFP prior to the date fixed for submission of a proposal by posting, mailing, emailing or faxing an addendum to the respondents known to be interested in submitting a proposal. Failure of a respondent to receive or acknowledge receipt of any addendum shall not relieve the respondent of the responsibility for complying with the terms thereof.

A respondent's proposal shall constitute an irrevocable offer for the 120 days following the deadline for submission of proposals. Reference to a certain number of days in this RFP shall mean business days unless otherwise specified.

All proposals submitted in response to this RFP will become the exclusive property of OCERS. Proposals will not be returned to respondents.

By submitting a proposal, the respondent acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements unless clearly and specifically noted in the proposal submitted.

Section 5: Point of Contact

A quiet period will be in effect from the date of issuance of this RFP until announcement of the selection of a firm or firms under this RFP. During the quiet period, respondents are not permitted to communicate with any

OCERS staff member or Board Member regarding this RFP except through the Point of Contact named herein. Respondents violating this quiet period may be disqualified at OCERS' discretion. Respondents having current business with OCERS must limit their communications to the subject of such business.

OCERS' normal business hours of operations are from 08:00 to 17:00 Monday through Friday, except for federal and state holidays.

The Point of Contact for all matters relating to this RFP is:

Name:	Jim Doezie
Title:	Contracts, Risk & Performance Administrator
Address:	OCERS 2223 E Wellington Ave., Suite 100 Santa Ana, CA 92701
Telephone:	(714) 569-4884
Email:	jdoezie@ocers.org
OCERS Website:	www.OCERS.org
Status:	See the OCERS website for status of the RFP and announcements. These items can also be found here: http://www.ocers.org/rfp/requestforproposal.htm

Section 6: Response to Request for Proposal

Proposals must be submitted to the Point of Contact identified in Section 5 and delivered by the due date and time stated below in the RFP Schedule.

OCERS will accept electronic, paper, or both types of submissions. Proposals may be submitted electronically in Microsoft Word or Adobe Acrobat PDF format to the email address noted in Section 5. Submission may also be made by mailing a USB flash drive with the electronic files, or a paper copy to the mailing address noted in Section 5. If paper copies are submitted, two (2) copies must be submitted.

RFP Schedule

The following timetable constitutes a tentative schedule for this RFP process. OCERS reserves the right to modify this schedule at any time.

Deliverable	Date	Time
Release of RFP	August 31, 2022	5:00 p.m. PDT
Deadline for Questions Submission	September 14, 2022	5:00 p.m. PDT
RFP Questions and Answers Posted	September 23, 2022	5:00 p.m. PDT
RFP Submission Deadline	October 7, 2022	5:00 p.m. PDT
OCERS Review of RFP Submissions	October 7 through October 28, 2022	
Selection of Finalists	October 31, 2022	
Interviews of Finalists	To be determined	
Service Award [or recommendation to the Board]	To be determined	

Section 7: Proposal Requirements

Proposals must include the following information:

1. The “Minimum Qualifications Certification,” attached as Exhibit “C.”
2. The “Proposal Cover Page and Check List,” attached as Exhibit “D.”
3. An executive summary that provides the respondent’s background, experience, and other qualifications to provide the services included in the Scope of Services.
4. A description of the respondent including:
 - a. Brief history, including year the respondent firm was formed.
 - b. Ownership structure.
 - c. Office locations.
 - d. Organization chart.
 - e. Number of employees.
 - f. Annual revenues.
 - g. Scope of services offered.
 - h. Respondent’s specialties, strengths, and limitations.
 - i. Describe the accounting systems used and financial reporting methodologies.
 - j. How soon after period-end (month, quarterly, annual) are the financial results delivered?
 - k. Are the respondent’s financial reports independently audited? If so, what is the name of the audit firm?

- l. Are actual financials compared to pro-forma estimates? Is this reviewed with the owner?
 - m. An example of the respondent's financial reports.
 - n. The average retention rate (years of service) of the firm's other clients?
5. The names and qualifications of fully trained and qualified staff that will be assigned to OCERS work, including a detailed profile of each person's background and relevant individual experience.
 6. At least three (3) references for which the respondent has provided services similar to those included in the Scope of Services. Please include for each reference the individual point of contact, a summary of the work performed, and the length of time the respondent provided each service.
 7. Copies of any pertinent licenses required to deliver respondent's product or service (e.g., business license).
 8. A copy of respondent's standard professional services contract.
 9. An explanation of the pricing proposal for the scope of work including pricing of fees and costs, billing practices, and payment terms that would apply. OCERS does not place any limits on the approach to pricing and is open to presentation of more than one pricing alternative for the scope of work, or portions of it. This section of the response should include an explanation as to how the pricing approach(es) will be managed to provide the best value to OCERS. The respondent should represent that the pricing offered to OCERS is, and will remain, equivalent to or better than that provided to other public pension fund or institutional investor clients, or should provide an explanation as to why this representation cannot be provided. All pricing proposals should be "best and final," although OCERS reserves the right to negotiate on pricing.
 10. An explanation of all actual or potential conflicts of interest that the respondent may have in contracting with OCERS.
 11. A description of all past, pending, or threatened litigation, including malpractice claims, administrative, state ethics, disciplinary proceedings, and other claims against respondent and/or any of the individuals proposed to provide services to OCERS.
 12. Any other information that the respondent deems relevant to OCERS' selection process.

Section 8: Evaluation Criteria

Responses will be evaluated based upon the following:

1. Experience and reputation of the respondent.
2. Quality of the team proposed to provide services to OCERS, including staffing depth, experience, turnover, and compensation.
3. Pricing and value.
4. Delivery and payment terms.
5. Compliance with technical standards contained in this RFP.
6. The organization, completeness, and quality of the proposal.
7. Information provided by references.
8. Other factors OCERS determines to be relevant.

The factors will be considered as a whole, without a specific weighting.

OCERS may require one or more interviews with or personal presentations by finalists to be conducted with staff, Board Members, and/or the entire Board of Retirement.

If the information in the proposal is deemed to be insufficient for evaluation, OCERS may request additional information or reject the proposal outright at OCERS' sole discretion. False, incomplete, or unresponsive statements in connection with a proposal may result in rejection of the proposal.

Section 9: Non-Discrimination Requirement

By submitting a proposal, the respondent represents that it and its subsidiaries do not and will not discriminate against any employee or applicant for employment on the basis of race, religion, color, national origin, ethnic group identification, mental disability, physical disability, medical condition, genetic information, marital status, ancestry, sex, gender, sexual orientation, gender identity, gender expression, age, or military and veteran status.

Section 10: Notice Regarding the California Public Records Act and the Brown Act

The information submitted in response to this RFP will be subject to public disclosure pursuant to the California Public Records Act (California Government Code Section 6250, et. seq., the "Act"). The Act provides generally that all records relating to a public agency's business are open to public inspection and copying unless specifically exempted under one of several exemptions set forth in the Act. If a respondent believes any portion of its proposal is exempt from public disclosure or discussion under the Act, the respondent must provide a full explanation and mark such portion "TRADE SECRETS," "CONFIDENTIAL," or "PROPRIETARY," and make it readily separable from the balance of the response. Proposals marked "TRADE SECRETS," "CONFIDENTIAL," or "PROPRIETARY" in their entirety will not be honored, and OCERS will not deny public disclosure of all or any portion of proposals so marked.

By submitting a proposal with material marked "TRADE SECRETS," "CONFIDENTIAL," or "PROPRIETARY," a respondent represents it has a good faith belief that the material is exempt from disclosure under the Act; however, such designations will not necessarily be conclusive, and a respondent may be required to justify in writing why such material should not be disclosed by OCERS under the Act. Fee and pricing proposals are not considered "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY".

If OCERS receives a request pursuant to the Act for materials that a respondent has marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY," and if OCERS agrees that the material requested is not subject to disclosure under the Act, OCERS will either notify the respondent so that it can seek a protective order at its own cost and expense, or OCERS will deny disclosure of those materials. OCERS will not be held liable, however, for inadvertent disclosure of such materials, data, and information or for disclosure of such materials if deemed appropriate in OCERS' sole discretion. OCERS retains the right to disclose all information provided by a respondent.

If OCERS denies public disclosure of any materials designated as “TRADE SECRETS,” “CONFIDENTIAL,” or “PROPRIETARY”, the respondent agrees to reimburse OCERS for, and to indemnify, defend and hold harmless OCERS, its Boards, officers, fiduciaries, employees, and agents from and against:

1. Any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses, including, without limitation, attorneys’ fees, expenses, and court costs of any nature whatsoever (collectively, “Claims”) arising from or relating to OCERS’ non-disclosure of any such designated portions of a proposal; and
2. Any and all Claims arising from or relating to OCERS’ public disclosure of any such designated portions of a proposal if OCERS determines disclosure is required by law, or if disclosure is ordered by a court of competent jurisdiction.

Section 11: Contract Negotiations

OCERS will propose a contract to the successful respondent, which will contain such terms as OCERS, in its sole discretion, may require. In addition, the selected firm will agree that this RFP and the firm’s proposal will be incorporated by reference into any resulting contract.

This RFP is not an offer to contract. Acceptance of a proposal neither commits OCERS to award a contract to any respondent, nor does it limit OCERS’ right to negotiate the terms of a contract in OCERS’ best interest, including the addition of terms not mentioned in this RFP. The final contract must, among other terms and conditions required by OCERS, allow OCERS to terminate the contract a) for OCERS’ convenience, b) if funds are not appropriated for the services to be provided, or c) for default.

The general form of the contract OCERS intends to use is included as Exhibit “B” (“OCERS Services Agreement”). OCERS reserves the right to make changes to the contract prior to execution, including material changes. The final Scope of Services to be included in the contract will be determined at the conclusion of the RFP process.

By submitting a proposal without comment on the OCERS Services Agreement, respondent will be deemed to have agreed to each term in the OCERS Services Agreement, and to not seek any modifications to it. If respondent objects to any term in the OCERS Services Agreement or wishes to modify or add terms to the OCERS Services Agreement, the proposal must identify each objection and propose language for each modification and additional term sought. A rationale should be included for each objection, modification, or addition.

Section 12: Reservations by OCERS

In addition to the other provisions of this RFP, OCERS reserves the right to:

1. Cancel or modify this RFP, in whole or in part, at any time.
2. Make such investigation as it deems necessary to determine the respondent’s ability to furnish the required services, and the respondent agrees to furnish all such information for this purpose as OCERS may request.
3. Reject the proposal of any respondent who is not currently in a position to perform the contract, or who has previously failed to perform similar contracts properly, or in a timely manner, or for any other reason in OCERS’ sole discretion.

4. Waive irregularities, to negotiate in any manner necessary to best serve the public interest, and to make a whole award, multiple awards, a partial award, or no award.
5. Award a contract, if at all, to the firm which will provide the best match to the requirements of the RFP and the service needs of OCERS in OCERS' sole discretion, which may not be the proposal offering the lowest fees.
6. Request additional documentation or information from respondents, which may vary by respondent. OCERS may ask questions of any respondent to seek clarification of a proposal or to ensure the respondent understands the scope of the work or other terms of the RFP.
7. Reject any or all proposals submitted in response to this RFP.
8. Choose to not enter into an agreement with any of the respondents to this RFP or negotiate for the services described in this RFP with a party that did not submit a proposal.
9. Determine the extent, without limitation, to which the services of a successful respondent are or are not actually utilized.
10. Defer selection of a bidder to a time of OCERS' choosing.
11. Consider information about a respondent other than, and in addition to, that submitted by the respondent.

Exhibit A

Scope of Services

Starting with the benefit calculation process, perform the assessment and analysis to identify opportunities to automate the process.

We are not looking for someone to design our new Pension Administration System, but instead to suggest where in our entire business operations we might look to prepare to effectively apply both now and in the future advances in Artificial Intelligence, Robotic Process Automation and Machine Learning and identify a roadmap on how to achieve our technology goals.

DELIVERABLES

1. Create a technology futurist report on AI and related technologies with specific applicability (though not solely limited) to the administration of pension benefits that OCERS should be focused on to support our mission of providing secure retirement and disability benefits with the highest standards of excellence
 - a. This report will provide high level milestones through 2030, key tasks that we must achieve and dependencies that must be completed each year to meet our goals.
 - b. This report will outline areas of technology that OCERS should focus on with discussion of why.
2. Provide a specific technology road map that guides OCERS to achieving our technology and operational goals
3. Provide sample use cases that are applicable to our organization that demonstrate the value and benefits of adopting AI and/or related technologies in operations such as pension administration. Share the selected use cases' "roadmap" and lessons learned.
4. Provide a one-hour presentation to the OCERS Board of Retirement. Using PowerPoint slides and/or whatever other medium considered applicable, share with the OCERS Board your vision of where OCERS will be as of 2030 and how we get there.

Exhibit B

MINIMUM QUALIFICATIONS CERTIFICATION

All firms submitting a proposal in response to this RFP are required to sign and return this attachment, along with written evidence of how the respondent meets each qualification.

The undersigned hereby certifies that it fulfills the minimum qualifications outlined below, as well as the requirements contained in the RFP.

Minimum Qualifications include:

1. Minimum of 10 engagements guiding an organization's technology strategic plan, producing technology roadmaps/futurists reports or assisting with the implementation of RPA, ML, or AI technology solutions
2. Bachelor's degree in information technology or related field or relevant information technology certifications
3. Demonstrated ability to look at current and emerging trends and predict the future in technology

The undersigned hereby certifies that they are an individual authorized to bind the Firm contractually, and said signature authorizes verification of this information.

Authorized Signature

Date

Name and Title (please print)

Name of Firm

Exhibit C

PROPOSAL COVER PAGE AND CHECK LIST (TO BE SUBMITTED IN FIRM'S LETTERHEAD)

Respondent Name:

Respondent Address:

By submitting this response, the undersigned hereby affirms and represents that they have reviewed the proposal requirements and have submitted a complete and accurate response to the best of their knowledge. By signing below, I hereby affirm that the respondent has reviewed the entire RFP and intends to comply with all requirements.

Respondent specifically acknowledges the following:

1. Respondent possesses the required technical expertise and has sufficient capacity to provide the services outlined in the RFP.
2. Respondent has no unresolved questions regarding the RFP and believes that there are no ambiguities in the scope of services.
3. The fee schedule submitted in response to the RFP is for the entire scope of services and no extra charges or expenses will be paid by OCERS.
4. Respondent has completely disclosed to OCERS all facts bearing upon any possible interests, direct or indirect, that Respondent believes any member of OCERS, or other officer, agent, or employee of OCERS presently has, or will have, in this contract, or in the performance thereof, or in any portion of the profits thereunder.
5. Materials contained in the proposal and all correspondence and written questions submitted during the RFP process are subject to disclosure pursuant to the California Public Records Act.
6. Respondent is not currently under investigation by any state or federal regulatory agency for any reason.
7. Except as specifically noted in the proposal, respondent agrees to all of the terms and conditions included in OCERS Services Agreement.
8. The signatory below is authorized to bind the respondent contractually.