



ADDENDUM TO REQUEST FOR PROPOSAL DOCUMENT

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| ADDENDUM #1 |
| Project Name: Information Technology Security Auditing Services |
| Date: April 28, 2023 |

NOTICE TO ALL POTENTIAL RESPONDENTS

The Request for Proposal is modified as set forth in this addendum. The original Request for Proposal document and any previously issued addenda remain in full force and effect, except as modified by this addendum, which is hereby made part of the Request for Proposal. Respondent shall take this addendum into consideration when preparing and submitting its bid.

The following language shall be modified to the original document:

Section – *Request for Proposal*; page 5

Following statements has been struck from *Request for Proposal* section:

Interested Firms who wish to review prior years' audit reports and management letters should contact our Internal Audit Officer, David Doney, at IMRF. IMRF will use its best efforts to make prior reports available to Firms to aid their response to this request for proposals.

Section – *Format and Content of the Proposal*; page 10, 11 & 12

Following statements has been added to *Format and Content of the Proposal* section:

6. Third Party Cybersecurity Questionnaire

a. Complete and submit Third Party Cybersecurity Questionnaire.

Following statements has been struck from *Format and Content of the Proposal* section:

c. Describe your Firm's approach to recommendations regarding the amortization of unfunded liabilities and layered amortization.

d. Describe the methodology your Firm uses to formulate a recommendation for a pension plan's interest rate assumption.

e. Describe the Firm's quality control processes for valuation reports and recommendations for items listed on attachment A.

f. Provide as an appendix to your proposal a sample of your Firm's valuation report for funding purposes.



ALL BIDDERS SHALL ACKNOWLEDGE RECEIPT AND ACCEPTANCE OF ADDENDUM NUMBER 1
(DATED APRIL 28, 2023) FOR *REQUEST FOR PROPOSAL – INFORMATION TECHNOLOGY SECURITY AUDIT
SERVICES*, BY SIGNING IN THE SPACE PROVIDED AND SUBMITTING THE SIGNED ADDENDUM WITH YOUR
PROPOSAL.

PROPOSALS SUBMITTED WITHOUT THIS ADDENDUM MAY BE CONSIDERED NON-RESPONSIVE.

SIGNED THIS _____ DAY OF _____, 2023.

SIGNATURE

COMPANY NAME



2211 York Road Suite 500 Oak Brook IL 60523-2337 1-800-ASK-IMRF (275-4673)

www.imrf.org

ILLINOIS MUNICIPAL RETIREMENT FUND

REQUEST FOR PROPOSALS

INFORMATION TECHNOLOGY SECURITY AUDITING SERVICES

APRIL 2023

(One time execution)



Request for Proposal (Services)

Project Name: Information Technology Security Auditing Services

Date: April 14, 2023

1. The Illinois Municipal Retirement Fund (IMRF) is inviting bids for the products and/or services described in the general specifications, set forth below. Bids should be submitted by written form by email, facsimile, registered mail, certified mail or hand delivery.
2. It is anticipated that the bids will be opened immediately after the submission time and date, and the bids awarded to the successful bidder as indicated in the General Instructions. IMRF reserves the right to award the bid to other than the low (high) bidder or to reject all bids.

About IMRF

IMRF is a multiple employer agent public employee retirement system providing retirement, survivor, death, and disability benefits to employees of units of local government in Illinois. Created by the Illinois General Assembly, IMRF is governed by the Illinois Pension Code (40 ILCS 5/1-101 et seq.) and is a defined benefit pension plan.

IMRF provides benefits to eligible employees of approximately 3,027 units of government. IMRF has approximately 175,224 active members, 148,128 inactive members, and 151,568 retirees and beneficiaries. We manage assets of approximately \$50 billion and are governed by an eight member Board of Trustees elected by the employers, active members, and annuitants.

The Board of Trustees makes all benefit decisions and has rule-making authority. Decisions of the Board of Trustees are subject to judicial review under Article III of the Code of Civil Procedure (735 ILCS 3-101 et seq.). IMRF is not an agency of the State of Illinois and is not subject to the Illinois Administrative Procedure Act. IMRF's latest Comprehensive Annual Financial Report and other information about IMRF may be obtained from the website at www.imrf.org.

IMRF's Mission

To efficiently and impartially develop, implement, and administer programs that provide income protection to members and their beneficiaries on behalf of participating employers, in a prudent manner.

IMRF's Vision

To provide the highest quality retirement services to our members, their beneficiaries, and employers.

IMRF's Values

Guiding us to REAACH our Mission, Vision, and Goals

Respect

Empathy

Accountability

Accuracy

Courage

Honesty

Illinois Performance Excellence

In our journey towards excellence, IMRF has adopted the Baldrige Criteria framework in order to help us develop and maintain continuous improvement efforts. The Baldrige Criteria outline a set of qualities high-performing organizations possess, in the following seven categories:

1. Leadership
2. Strategy
3. Customers
4. Measurement, analysis, and Improvement of Organizational Performance
5. Workforce
6. Operations
7. Results

Customer Service Principles

In March 2012, IMRF adopted our organizational Customer Service Principles as part of Modernization. The Customer Service Principles apply to everything we do at IMRF. They shape our approach to serving our customers and should guide all day-to-day IMRF operations.

To provide great customer service, IMRF will:

- Establish, manage and communicate expectations, and then follow up.
- Supply timely and accurate information.
- Be simple, fast, and easy for the customer.
- Offer a variety of options.
- Have a global view of the customer.
- Empower staff to resolve problems.

Vendor Expectations

IMRF's Vision and Values and Customer Service Principles help us achieve our goals. We expect our vendors to assist us in achieving these goals by:

- Following our Values.
- Respecting our Customer Service Principles with on-time services and quality products.
- Complying with our ethical bidding process starting with the initial vendor contact through fulfilling contract / order requirements.
- Maintaining a professional work ethic.

Purchasing Diversity Policy

The goal of the IMRF Purchasing Diversity Policy is to promote utilization of businesses owned by minorities, females, and persons with a disability in procurement activities. IMRF encourages its vendors to review the policy, which can be found at www.imrf.org/en/about-imrf/procurement/procurement-diversity-policy.

Code of Conduct Compliance Policy

The IMRF Code of Conduct requires all employees to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities. IMRF also expects its vendors to comply with our Code and to report violations or suspected violations in accordance with this Code of Conduct Compliance Policy.

Reports of violations or suspected violations can be made via our independent third party provider, Global Compliance Services. If desired, a vendor can submit the report anonymously, via phone or web. IMRF must comply with the Illinois Freedom of Information Act (5 ILCS 140/1 et seq).

General Instructions

Written proposals are required by IMRF for *Information Technology Security Auditing Services* as described in the sections below. **The proposals should be submitted to IMRF on or before 12:00 PM (noon) CDT on May 4, 2023.** Proposals MUST include the bid specification cost sheet and a completed Verification of "Minority Owned Business", "Disabled Owned Business" Or "Woman Owned Business" Status (Exhibit B).

1. Submit to:

Daniel Martinez
Illinois Municipal Retirement Fund
Suite 500, 2211 York Rd.
Oak Brook, IL 60523-2337
630-368-5366
Fax: 630-706-4233
Email: danielmartinez-procurement@imrf.org

2. The proposal, to be awarded by **June 6, 2023**, will be confirmed by a purchase order issued to the successful bidder.
3. The proposal will be awarded based on the overall submission; however, prices should be shown for each line item.
4. IMRF must comply with the Illinois Freedom of Information Act (5 ILCS 140/1 et seq.) IMRF cannot represent or guarantee that any information submitted in response to this Invitation for Bids will be confidential. If IMRF receives a request for any document submitted in response to the Invitation for Bids, IMRF's sole responsibility will be to notify respondent of a request for such document to allow the respondent to seek protection from disclosure in a court of competent jurisdiction. No documentation will be provided under FOIA until the contract has been awarded.

5. IMRF is exempt from State and Local sales and use taxes.

6. IMRF is considered an "instrumentality of Illinois local government." IMRF is also a registered participant in the State of Illinois Joint Purchasing Program; our registration number is L1074.

7. IMRF has adopted a Diversity Procurement Policy, a copy of which is available from the IMRF Purchasing Coordinator and on the IMRF website (www.imrf.org). The bidder acknowledges receipt of a copy of said policy by signing and submitting a bid sheet to IMRF.

8. The proposal shall constitute a binding offer to sell the above-noted product(s) to IMRF and may not be withdrawn once the Board of Trustee of IMRF has awarded the contract to the successful bidder.

9. The proposal must be submitted with all terms and conditions so the proposal is a signable contract.

10. IMRF may terminate any bid award, upon thirty (30) days written notice to the successful bidder.

11. Questions concerning these bid documents or the IMRF bid process shall be addressed solely to the IMRF Procurement Specialist, Daniel Martinez (contact information on previous page). IMRF reserves the right to disqualify any bid should any other IMRF staff member be contacted during the bid process without the express written authorization of Mr. Martinez.

Request for Proposal

This is a Request for Proposal (RFP) from qualified bidders for consulting services for the Illinois Municipal Retirement Fund (IMRF). IMRF is requesting proposals for Information Technology Security Auditing Services ("Firm" or "Firm's"). The Illinois Municipal Retirement Fund (IMRF) is requesting proposals from Firms of certified public accountants to provide outsourced internal audit services relating to assisting in the performance of our 2023 audit plan for our Information Technology (IT) department. The engagement would encompass assistance in selected areas of our 2023 internal audit plan.

Essentially all old record keeping and processing for all member and most employer data was maintained on the mainframe (IBM Z800, Model 2066) using VM and VSE software. Most of the mainframe programs are written in Natural using an Arabas database. Our new platform is supported by TELUS (formerly known as Lifeworks) and is cloud based.

IMRF has an internal audit function which reports to the Executive Director and the Audit Committee of the Board of Trustees.

The internal audit and information services department staff and responsible management personnel will be available during the audit to assist the Firm by providing information, documentation, and explanations.

The IMRF internal audit staff will be available to assist the auditor. The scope of this assistance is anticipated to be of a general control nature.

IMRF Information Services personnel will be available to assist in each area being audited.

IMRF will provide the auditor with reasonable workspace, desks, and chairs. The auditor will also be provided with access to a telephone line, photocopying facilities, internet, and printers if needed.

The IT Security services to be performed include the analysis of the following*:

- 1) Internal Penetration Testing
- 2) External Penetration testing

*For the items listed above the Firm is to describe the tests to be provided to IMRF. Note that preparation of the reports, editing and printing shall be the responsibility of the auditor.

Information Technology Security Auditing Services are expected to begin August 1, 2023. The term of the contract will be a one-time execution. Proposals in response to this RFP should be submitted pursuant to the enclosed instructions by Thursday, May 4, 2023.

It is anticipated that the Board of Trustees will award a contract to the selected Firm at their May 26, 2023, Board meeting and that the final reports from this engagement will be presented by the Firm to the staff and full Board of Trustees in November 2023. Final reports for contract will be received at least two weeks prior to the scheduled Board of Trustees meeting. This will allow sufficient time for IMRF staff to discuss the report with the selected Firm and prepare any responses.

The formal presentation will take place at the May meeting of the Board of Trustees – Audit Committee. The Firm is requested to discuss their report and findings at the November 2023 Board of Trustees meeting.

A pre-proposal conference for all Firms interested in submitting a proposal will be held at 10:00 A. M. on April 20, 2023. If the Firm plans on attending this conference, please contact Daniel Martinez by April 19, 2023.

IMRF reserves the right to reject any or all proposals submitted. A nine-member Auditor Selection Committee consisting of the Internal Audit Officer, General Counsel, Customer Service Director, Cyber -Security Officer, Technology Infrastructure Manager, Cybersecurity Operations Architect, Enterprise Business Solutions Manager, Chief Financial Officer, and the Chief Information Services Officer will evaluate proposals submitted.

Copies of your proposal must be received by IMRF by 12:00 (Noon) on May 4, 2023. They should be sent to the attention of Daniel Martinez, 2211 York Road, Suite 500, Oak Brook, Illinois 60523-2337. All electronic copies are to be sent to danielmartinez-procurement@imrf.org.

During the evaluation process, the Selection Committee and IMRF reserve the right, where it may serve the Fund's best interest, to request additional information or clarifications from proposers. The Fund may also allow corrections of errors or omissions. At the discretion of IMRF, Firms submitting proposals may be asked to make oral presentations as part of the evaluation process.

IMRF reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between IMRF and the Firm selected.

It is anticipated that the selection of a Firm will be completed by May 26, 2023, for approval by the Board of Trustees. Following the notification, the selected Firm is expected to execute the mutually satisfactory job arrangement letters between both parties no later than June 30, 2023.

Scope of Work

The purpose of this assignment is to provide the work as IMRF's retained Firm to conduct the services mentioned above. The focus of this project is to provide formal reports on controls and processes consistent with industry standards.

IMRF desires the Firm to perform or assist in performing audit procedures for the following areas in the 2023 audit plan:

General conditions/Operating environment:

- Single site location with a small branch office
- Multitier layered architecture
- 500-1000 endpoints

General expectations (based on approved rules of engagement):

- Internal and external network and system enumeration.
- Information gathering and reconnaissance.
- Simulate exfiltration of data.
- Validate the protection mechanisms in place with the use of sanctioned outbound communication.
- Attempt to obtain user and/or administrator credentials.
- Attempt to subvert operating system security controls.
- Attempt to install or alter software on target systems.
- Attempt to compromise target systems laterally within the internal network.
- Attempt unauthorized access of resources to which the team should not have access.
- Test and validate the defense mechanisms and capabilities to detect rogue/unsanctioned devices/service within the internal environment.
- Test and validate the defense mechanisms and capabilities of remote access and wireless infrastructure.
- Coordinate and conduct a sophisticated phishing campaign test awareness and response.

(The above shall include review of any other areas identified by IMRF staff.)

Reports to be Issued.

Following the completion of the internal audit by the selected area, the Firm shall issue a report on the results of their procedures performed including any findings and related recommendations for improvement as mentioned above. All proposals will be reviewed to determine whether they meet the requirements of this RFP.

Timetable

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| Public Release of Request for Proposal | April 14, 2023 |
| Virtual Proposers' Conference | April 20, 2023 |
| Deadline for clarification of questions and requests for additional information | April 28, 2023 |
| Deadline for delivery of proposals | May 4, 2023 |
| Face to face interviews with individual bidders (Firm) | May 8 through May 19, 2023 |
| Selection of winning Firm by Audit Committee | May 26, 2023 |
| Presentation of winning bidder to full Board of Trustees | May 26, 2023 |
| Final report due to IMRF Staff and Board of Trustees | November 2, 2023 |

General Contractual Requirements

The contract between IMRF and the Firm shall consist of (1) this Request for Proposal (RFP) and any amendments thereto and, (2) the proposal submitted by the Firm in response to the RFP. In the event of a conflict in language between the two documents referenced above, the provisions and requirements set forth and/or referenced in the Request for Proposal shall govern. However, IMRF reserves the right to clarify any contractual relationship in writing with the concurrence of the Firm, and such written clarification shall govern in case of conflict with the applicable requirement stated in the RFP or the Firm's proposal. In all other matters not affected by the written clarification, if any, the RFP will govern. The Firm is cautioned that the proposal shall be subject to acceptance by IMRF without further clarification.

The contract shall be construed according to the laws of the State of Illinois. The Firm shall comply with all local, state, and federal laws and regulations related to the performance of the contract to the extent that the same may be applicable.

The Firm represents it to be an independent Firm offering such consulting services to the general public and shall not represent himself or his employees as employee(s) of the State of Illinois or IMRF. Therefore, the Firm shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers' compensation, employee insurance, minimum wage requirements, overtime, etc., and agrees to indemnify, save, and hold harmless IMRF, its officers, agents, and employees, from and against, any and all loss; cost (including attorney fees); and damage of any kind related to such matters.

All reports and material developed or acquired by the Firm as a direct requirement specified in the contract shall become the property of IMRF. No reports or materials prepared, as required by the contract, shall be released to the public without prior written consent of IMRF.

The Firm covenants that they presently have no interest and shall not acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of the services hereunder. The Firm further covenants that no person having any such known interest shall be employed or conveyed an interest, directly or indirectly, in the contract.

No provision in this document or in the Firm's proposal shall be construed, expressly or implied, as a waiver by IMRF of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract.

Firms should send or e-mail the completed proposal to the following address:

Daniel Martinez
Illinois Municipal Retirement Fund
Suite 500
2211 York Rd.
Oak Brook, IL 60523-2374
630-368-5366
FAX 630-706-4233
Email: danielmartinez-procurement@imrf.org

FORMAT AND CONTENT OF THE PROPOSAL

Proposals should include the following information, presented in a clear, comprehensive, and concise manner, in one electronic document by email. A specific outline must be followed in order to facilitate IMRF's review and evaluation of the responses received. A response to this RFP must include the following sections in the order listed:

1. Letter of Transmittal
2. Understanding of the Engagement and Project Methodology
3. Experience and Qualifications
4. Client References
5. Cost Proposal
6. Third Party Cybersecurity Questionnaire

Content for each of the sections is described as follows:

1. Letter of Transmittal

The Letter of Transmittal must include the following:

- a. Legal business name, the address of the office providing services under the contract, contact person, phone number, and email address.
- b. Length of time this proposal is valid. IMRF prefers that the proposal be valid for at least one hundred eighty (180) days from the RFP's submission deadline.
- c. Clearly state if there are any exceptions to, or deviations from, the minimum proposal requirements, and any exceptions to the terms and conditions of this RFP. Such exceptions or deviations will be considered in evaluating the proposals.
- d. The Letter of Transmittal must be signed by a person authorized to represent the company and is legally responsible for the decision as to the price and supporting documentation provided as a result of this RFP.
- e. Company Background and General Description. This section should include the following about the Firm responding to this RFP:
 - i. Provide a brief history of the Firm including the year organized and ownership structure. Please indicate any anticipated changes (near term or long term) in Firm ownership or structure.
 - ii. Provide an overview of the Firm's organization, including the number of people in key positions and services offered, and the number of years the Firm has provided services outlined in the Scope of Services section of this RFP.
 - iii. Describe the dollar levels of coverage for errors and omissions coverage and any other liability coverage which the Firm carries.
 - iv. Describe any contractual legal liability threshold amounts related to professional errors and omissions offered as a condition for entering into a potential contract.

- v. Provide a brief description of any unique qualifications of the Firm, including the Firm's consulting specialties, strengths, and limitations. Provide examples of "value-added" advice and problem-solving capability for clients.
- vi. Provide an affirmation that no conflicts of interest exist between the Firm and the IMRF, its Board of Trustees, members, or management. If a conflict of interest does exist, describe the conflict.
- vii. Provide a list of public pension plans the Firm has worked with over the past five (5) years and the nature of each contract.
- viii. List the Firm's office locations and the main functional roles of each, indicating the primary location of the team that would cover IMRF's services.
- ix. Provide an organization chart that depicts the structure of the consulting group and identifies the key personnel and other people who will be involved in providing services to IMRF. Indicate the total number of actuaries employed by the Firm. Describe any turnover in key professional personnel in each of the last five (5) years.
- x. Provide a description of its internal control structure, design, and security to protect IMRF data from unauthorized use or access.

2. Understanding of the Engagement and Project Methodology

The proposal must provide a comprehensive narrative statement that illustrates an understanding of the requirements of the engagement. In order to evaluate potential services, IMRF needs to understand each Firm's experience across the full spectrum of issues that may arise in the administration of a public pension fund in Illinois. Include a description of the deliverables to be provided by the Firm along with a detailed work plan that identifies the major tasks to be accomplished. Include a proposed project timeline for the contract. Finally, describe the procedures that the Firm will take to ensure that IMRF will receive satisfactory products and services.

3. Experience and Qualifications

With reference to the items listed under "Scope of Services" please describe the services which your Firm proposes to provide to IMRF. Include a list of key personnel who will be assigned to this project, the role they will play and their resumes. Resumes should detail the individual's training and work experience with public pension plans and their certifications/designations. List and describe any professional relationship the Firm or any of its consulting group staff have with any member of the IMRF Board of Trustees. State the number of client relationships key personnel are currently involved with and type of service request.

Specifically address the following:

- a. Indicate your experience with major disruptions of your business and how they impacted your clients. Indicate what contingencies your Firm has made to address potential disruptions to client services in the event of a natural or man-made disaster or pandemic.
- b. Describe why you believe your Firm and the key personnel assigned to this project are the most qualified to perform the services requested by IMRF.

4. Client References

- a. Provide a list of at least three organizations that may be used as references for the Firm's work related to the requirements in this RFP. The following should be included for the references listed:
 - i. Dates services were provided.
 - ii. Name, address, and phone number of an individual in the client organization who is familiar with the work performed; and
 - iii. Description of the work performed.
- b. Provide the name, address, phone number, contact name and title of any pension plan clients that have terminated the Firm's services over the past three years. Provide an explanation of the circumstances involving the termination of services.

5. Cost Proposal

Describe how fees are determined for your Firm's services. Include the following information:

- a. State the proposed annual fee for the Regular Services described in the Scope of Services section of this RFP.
- b. Provide the hourly rate for Special Services described in the Scope of Services section of this RFP.
- c. If any out-of-pocket disbursements are expected to be reimbursed, describe the charge and the rate for each. Please note that IMRF expects that disbursements will be charged at actual out-of-pocket costs, without mark-up. Please also note that IMRF expects not to pay for travel time unless substantive work takes place during the travel time.
- d. In addition, you may propose any alternative fee structure deemed appropriate.
- e. State any special considerations with respect to billing or payment of fees and expenses that you offer and that you believe would differentiate it from other proposers and make your services more cost effective to IMRF.
- f. Provide a copy of your company's standard professional services contract. Please indicate if there are any terms in the contract that are not negotiable. Please note that the mandatory provisions (attached as Exhibit A) are required to be included with the final contract.

6. Third Party Cybersecurity Questionnaire

- a. Complete and submit Third Party Cybersecurity Questionnaire.

EVALUATION CRITERIA

All timely proposals will be reviewed to determine whether the minimal qualification requirements have been met. Proposals that do not meet all qualification requirements will be considered non-responsive and will be rejected.

Proposals will be evaluated at the discretion of IMRF based upon the following factors:

1. Firm's Experience, Capabilities and References
2. Quality and Experience of Assigned Professional Personnel
3. Communication and Quality of Proposal Submitted
4. Project plan and timeline
5. Security of the data
6. Fee Proposal

The factors will be considered as a whole, without a specific weighting. The balancing of the factors is in IMRF's sole discretion.

LENGTH OF CONTRACT

It is expected that this contract will begin June 2, 2023, and presentation, as well as reports, to the full Board of Trustees - Audit Committee meeting at their November 17, 2023, meeting. The Final reports are to be received by Board of Trustees in November 2023. Final reports for contract will be received at least two weeks prior to the scheduled November 2023 Board of Trustees meeting, November 17, 2023. This will allow sufficient time for IMRF staff to discuss the report with the selected Firm and prepare any responses.

PROPOSAL SUBMISSION

The deadline for proposal submission is 12:00 (Noon) (CDT) on Friday, May 4, 2023. All copies of the proposal, including electronic copies, are to be sent to:

Daniel Martinez
Illinois Municipal Retirement Fund
Suite 500 2211 York Rd.
Oak Brook, IL 60523-2374
630-368-5366
FAX 630-706-4233
Email: danielmartinez-procurement@imrf.org

A proposal may be withdrawn any time prior to the deadline by email notification, received no later than the deadline and signed by an authorized agent of the Firm. The proposal may be resubmitted with modifications up until, but not after, the deadline.

TERMS AND CONDITIONS

This one-time executed contract will be awarded to the Firm that has submitted a proposal that is deemed to provide the best value to IMRF. Consideration will be given to demonstrated competence, knowledge, reputation, experience, and qualifications of the Firm as a whole and of the staff assigned to this project; the project plan and timeline; the adequacy of the proposal; and the cost proposal. IMRF reserves the right to waive any defect or omission in any proposal which does not materially affect the terms of the response to this RFP.

Discussions may be held with the Firm(s) submitting proposals. The purpose of any such discussions would be to:

1. Promote the understanding of the IMRF's requirements and the Firm(s) proposals; and,
2. Facilitate arriving at a contract most advantageous to the IMRF taking into consideration the IMRF's needs, the cost of services to be provided and other evaluation factors set forth in the RFP.

The IMRF reserves the right to conduct interviews with some or all the Firms that submit responses to this RFP. The IMRF plans to schedule onsite interviews with Firms that it believes will provide the best value. The proposed interviews will take place between May 8 and May 19, 2023. Interviews will be held at IMRF's Oak Brook office.

DISCLAIMER

The IMRF is not under any obligation to accept the lowest bid or lowest fee or, indeed, choose any of the respondents to this RFP for an engagement; and the IMRF may employ any criteria it deems appropriate, whether or not referenced in this RFP, in evaluating the proposals submitted.

I acknowledge receipt of a current copy of the IMRF Diversity Procurement Policy ("Policy"). I understand that IMRF will typically award a bid to the lowest cost bidder. However, in order to meet the goals set forth in the Policy, a bid may be awarded to a vendor, other than the low bidder.

I certify that I have completed the IMRF Diversity Business Verification Form and I have attached a completed copy of said form to this bid.

I further understand and acknowledge that a fraudulent certification as to MWDBE status shall: 1) constitute grounds for the immediate termination of any bid award; 2) prohibit my participation in any further IMRF Invitation for Bids; and 3) may result in criminal prosecution to the fullest extent permitted by state and/or federal law.

Finally, I understand that, upon acceptance of this offer by the IMRF Board of Trustees, this offer and related documentation, and the request for bid shall become a binding contract. I agree that any negligence on my part in preparing this bid confers no right to withdraw the offer after it has been accepted by the IMRF Board of Trustees.

Company Name: _____

Authorized Signature: _____ **Date:** _____

Title: _____

IMRF Procurement Approval:

Authorized Signature: _____ **Date:** _____

Title: _____

IMRF Legal Approval:

Authorized Signature: _____ **Date:** _____

Title: _____

IMRF Final Approval:

Authorized Signature: _____ **Date:** _____

Title: _____

Exhibit A

Terms and Conditions

RFP/ BID

IMRF's Request for Proposal (RFP), Invitation for Bids, or any similar document soliciting contractors for the work set forth herein, and Contractor's response thereto, are hereby incorporated by reference into this Agreement as though fully set forth herein. To the extent that there are any conflicts between the RFP or bid document and this Agreement, this Agreement shall prevail.

Code of Conduct

Contractor will comply with all applicable provisions of the IMRF Code of Conduct, a copy of which can be found at www.imrf.org/vendor-code-conduct

Termination of Contract

This Agreement may be terminated at any time by the mutual consent of IMRF and Contractor. Either party may, without the consent of the other party, terminate this Agreement upon 60 days' prior written notice to the other party. Upon early termination, Contractor shall be entitled to payment for satisfactory supplies, equipment and/or services provided as of the date of receipt of notice of termination and with adequate documentation.

Successors and Assigns

The terms of this Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided, however, that neither party will assign this Agreement in whole or in part without the prior written approval of the other.

Amendment

Amendments to this Agreement must be made in writing and signed by all parties. If an amendment causes an increase in the Contractor's costs or in the time required for performance, the Agreement may be modified accordingly. Nothing in this clause shall excuse the Contractor from performing.

Severability

If any provisions of this Agreement are held to contravene or be invalid under the laws of any state or jurisdiction, contravention will not invalidate the entire Agreement, but it will be construed as if not containing the invalid provision and the rights or obligations of the parties will be construed and enforced accordingly.

Standard of Care

Services performed by Contractor under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. If the Contractor fails to meet the foregoing standard, Contractor will perform at its own cost, and without reimbursement from IMRF, the professional services necessary to correct errors and omissions caused by Contractor's failure to comply with the above standard and reported to Contractor within one (1) year from the completion of Contractor's services under this Agreement.

Unavoidable Delay

If the Contractor is delayed in the delivery of goods or services purchased under this Agreement by a cause beyond its control, the Contractor must, as soon as it knows of the delay, give written notice to IMRF and request an extension of time for performance. IMRF shall examine the request and determine if such an extension is to be granted. IMRF is under no obligation to grant such an extension.

Performance

Contractor agrees that IMRF shall be the sole judge as to whether work performed under this Agreement has been satisfactory. Any goods furnished shall be received subject to IMRF's inspection and right of rejection.

Relationship between IMRF and the Contractor

Contractor is an independent contractor in the performance of this Agreement, and is not an agent, employee, partner, or in joint venture with IMRF.

Warranties

In addition to all warranties provided by law, Contractor warrants that the services, supplies and/or equipment furnished under this Agreement: (i) will conform to drawings, plans, specifications, samples or other descriptions furnished, specified, accepted, or approved by IMRF, including but not limited to all specifications attached as exhibits to this Agreement; (ii) will be merchantable, of good quality in manufacture and workmanship, free from defects for a period of twelve months or longer if specified in writing, and fit and sufficient for the intended use; (iii) will comply with all federal and state laws, regulations, and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of such goods; (iv) will be of good title and be free and clear of all liens and encumbrances; and (v) will not infringe any patent, copyright, or other intellectual or proprietary rights of any third party. Contractor agrees to reimburse IMRF for any losses, costs, damages, or expenses, including without limitation, reasonable attorney fees and expenses, arising from failure of such goods to meet such warranties. These warranties shall be in addition to all other warranties, express, implied, or statutory, shall survive IMRF's payment, acceptance, inspection, or failure to inspect such goods.

Waiver

Except as specifically waived in writing, failure by either party to exercise or enforce a right or obligation under this

Agreement shall not affect any subsequent ability to exercise or enforce a right or obligation and will not be construed to be a waiver of any provision except for the particular instance.

Confidential Data and Information

Contractor, including its personnel, agents, and subcontractors, may have access to, collect, or receive confidential data, member records, or other information owned or maintained by IMRF in the course of carrying out its responsibilities under this Agreement. IMRF hereby designates all information received or accessed pursuant to this Agreement as confidential unless otherwise stated in writing. Contractor shall not unnecessarily communicate such data or information within Contractor's operations. No such data or information shall be disclosed or disseminated except as authorized by law and with the written consent of IMRF, either during the period of this Agreement or thereafter. Contractor must return all such data and information, in the same file format as it was provided to the Contractor, promptly at the end of the Agreement or earlier at the request of IMRF, or shall notify IMRF in writing of its destruction. If there is a breach in regards to IMRF data, security or information, IMRF must be notified within 72 hours. All information and documents sent to the Contractor remains the property of IMRF.

Security Breach Procedures

For purposes of this contract, "Security Breach" means any act or omission that compromises either the security, confidentiality, availability, or integrity of personal data or the physical, technical, administrative or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of personal data. Without limiting the foregoing, a compromise shall include any unauthorized access to or disclosure or acquisition of personal data.

Contractor shall notify IMRF of a Security Breach as soon as practicable, but not later than twenty-four (24) hours after Contract has become aware of it. Contractor shall notify IMRF of any Security Breaches by telephone and email to Contractor's primary business contact with IMRF. Immediately following Contractor's notification to IMRF of a Security Breach, the parties shall coordinate with each other to investigate the Security Breach. Contractor agrees to fully cooperate with IMRF in IMRF's handling of the matter, including, without limitation (i) assisting with any investigation; (ii) providing IMRF with physical access to the facilities and operations affected; (iii) facilitating interviews with Contractor's employees and others involved in the matter; and (iv) making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law, regulation, industry standards, or as otherwise required by IMRF.

Open Records/Open Meetings

Contractor acknowledges that IMRF and this Agreement are subject to the provisions of the Illinois Open Meetings Act (5 ILCS 120/1 *et seq.*) and the Illinois Freedom of Information Act (5 ILCS 140/1 *et seq.*)

Applicable Law

This Agreement and Contractor's obligations and services hereunder are made and must be performed in compliance with all applicable federal and state laws. This Agreement shall be construed and governed in accordance with the laws of the State of Illinois to the extent that such laws are not pre-empted by the laws of the United States of America. By entering into this Agreement, Contractor agrees to submit to the exclusive jurisdiction of the state and federal courts of Illinois and agrees that any action or proceeding against IMRF arising out of or in connection with this Agreement shall be instituted in the Circuit Court of DuPage County or the US District Court for the Northern District of Illinois. IMRF may agree to arbitration or other alternative dispute

resolution at its sole discretion.

Indemnity and Hold Harmless Agreement

To the fullest extent permitted by law, the Contractor shall indemnify, keep and save harmless IMRF and its trustees, agents, and employees against all losses, damages, claims, suits, liabilities, judgments, costs and expenses arising out of (a) any breach or violation by Contractor of any of its representations, warranties, covenants, or agreements set forth herein, (b) any actual or alleged death or injury to any person, damage to any property, or any other damage or loss by whomsoever suffered, claimed to have resulted in whole or in part from performance hereunder, (c) any act, activity, or omission of Contractor or any of its employees, representatives, subcontractors, or agents, which may arise directly or indirectly from any negligence or from the reckless or willful misconduct of the Contractor, its employees, or its subcontractors, and the Contractor shall at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith, and, if any judgment shall be rendered against IMRF in any such action, the Contractor shall, at its own expense, satisfy and discharge the same. This Agreement shall not be construed as requiring the Contractor to indemnify IMRF for IMRF's own negligence.

Nondiscrimination / Equal Employment Opportunity

Contractor will comply with applicable provisions of the State and Federal constitutions, laws, and regulations pertaining to unlawful discrimination, harassment, and equal employment opportunity, including but not limited to the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act, and the Illinois Human Rights Act. 42 USC 12101 *et seq.*, 775 ILCS 5, 775 ILCS 10.

Employment of IMRF Employees

Contractor agrees to notify IMRF if it solicits or intends to solicit for employment any of the employees of IMRF during the term of the Agreement.

Insurance

Contractor shall, at its sole cost and expense, procure and maintain in full force and effect during the term of this Agreement, a Certificate of Insurance naming IMRF an additional insured for all required bonds and insurance.

Certificates may not be modified or canceled until at least 30 days' notice has been provided to IMRF. Contractor shall provide in the following minimum amounts: (a) General Commercial Liability-occurrence form in the amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, in the amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage); and (c) Worker's Compensation Insurance in the amount required by law. Insurance shall not limit Contractor's obligation to indemnify, defend, or settle any claims.

Contracts that include contractor-provided delivery to IMRF's Oak Book office require a separate certificate of insurance for the building. IMRF will provide the necessary information.

Payment Procedures

IMRF requires all vendors with new and extended/renewed contract to receive electronic payments by credit card and/or Automated Clearing House (ACH) payments. IMRF will comply with the Local Government Prompt Payment Act, 50 ILCS 505/1 *et seq.*, in that any bill approved for payment must be paid or the payment issued to the Contractor within 60 days of receipt of a proper bill or invoice. If payment is not issued to the Contractor within this 60 day period, an interest penalty of 1.0% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60 day period, until final payment is made.

Exhibit B

VERIFICATION OF “MINORITY OWNED BUSINESS”, “DISABLED OWNED BUSINESS” or “WOMAN OWNED BUSINESS” STATUS

_____ verifies that it DOES / DOES NOT meet
(Firm Name)
the requirements to be classified as a “**Minority Owned Business**” as defined in Illinois Statute
30-ILCS-575/2 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.
(Excluding the statutory maximum of 75 million in gross annual sales)

_____ verifies that it DOES / DOES NOT meet
(Firm Name)
the requirements to be classified as a “**Female Owned Business**” as defined in Illinois Statute
30-ILCS-575/2 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.
(Excluding the statutory maximum of 75 million in gross annual sales)

_____ verifies that it DOES / DOES NOT meet
(Firm Name)
the requirements to be classified as a “**Disabled Owned Business**” as defined in Illinois Statute
30-ILCS-575/2 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.
(Excluding the statutory maximum of 75 million in gross annual sales)

_____ verifies that its gross annual sales for the
(Firm Name)
last fiscal year DID / DID NOT exceed \$75,000,000 in as evidenced by its annual federal
tax return.

_____ verifies that it IS / IS NOT a publicly held/traded firm.
(Firm Name)

Signature Title

Date

Pertinent definitions from Section 2 of the Business Enterprise for Minorities, Women and Persons with Disabilities Act (30 ILCS 575/2):

(A) For the purpose of this Act, the following terms shall have the following definitions:

(1) "Minority person" shall mean a person who is a citizen or lawful permanent resident of the United States and who is any of the following:

(a) American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(b) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(c) Black or African American (a person having origins in any of the black racial groups of Africa). Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American".

(d) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(e) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

(2) "Female" shall mean a person who is a citizen or lawful permanent resident of the United States and who is of the female gender.

(2.05) "Person with a disability" means a person who is a citizen or lawful resident of the United States and is a person qualifying as a person with a disability under subdivision (2.1) of this subsection (A).

(2.1) "Person with a disability" means a person with a severe physical or mental disability that:

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| (a) results from: amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, Crohn's disease, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, | hemophilia, respiratory or pulmonary dysfunction, an intellectual disability, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders, including stroke and epilepsy, paraplegia, quadriplegia and other spinal cord conditions, sickle cell anemia, ulcerative colitis, specific learning disabilities, or end stage renal failure disease; and |
|---|---|

(b) substantially limits one or more of the person's major life activities.

Another disability or combination of disabilities may also be considered as a severe disability for the purposes of item (a) of this subdivision (2.1) if it is determined by an evaluation of rehabilitation potential to cause a comparable degree of substantial functional limitation similar to the specific list of disabilities listed in item (a) of this subdivision (2.1).

(3) "Minority owned business" means a business concern which is at least 51% owned by one or more minority persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.

(4) "Female owned business" means a business concern which is at least 51% owned by one or more women, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more women; and the management and daily business operations of which are controlled by one or more of the women who own it.

(4.1) "Business owned by a person with a disability" means a business concern that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

(4.2) "Council" means the Business Enterprise Council for Minorities, Women, and Persons with Disabilities created under Section 5 of this Act.

(8) "Certification" means a determination made by the Council or by one delegated authority from the Council to make certifications or by a State agency with statutory authority to make such a certification, that a business entity is a business owned by a minority, female, or person with a disability for whatever purpose. A business owned and controlled by women shall be certified as a "female owned business". A business owned and controlled by women who are also minorities shall be certified as both a "female owned business" and a "minority owned business".

(9) "Control" means the exclusive or ultimate and sole control of the business including, but not limited to, capital investment and all other financial matters, property, acquisitions, contract negotiations, legal matters, officer-director-employee selection and comprehensive hiring, operating responsibilities, cost-control matters, income and dividend matters, financial transactions and rights of other shareholders or joint partners. Control shall be real, substantial and continuing, not pro forma. Control shall include the power to direct or cause the direction of the management and policies of the business and to make the day-to-day as well as major decisions in matters of policy, management and operations. Control shall be exemplified by possessing the requisite knowledge and expertise to run the particular business and control shall not include simple majority or absentee ownership.

(10) "Business concern or business" means a business that has annual gross sales of less than \$75,000,000 as evidenced by the federal income tax return of the business. A firm with gross sales in excess of this cap may apply to the Council for certification for a particular contract if the firm can demonstrate that the contract would have significant impact on businesses owned by minorities, women, or persons with disabilities as suppliers or subcontractors or in employment of minorities, women, or persons with disabilities.

(B) When a business concern is owned at least 51% by any combination of minority persons, women, or persons with disabilities, even though none of the 3 classes alone holds at least a 51% interest, the ownership requirement for purposes of this Act is considered to be met. The certification category for the business is that of the class holding the largest ownership interest in the business. If 2 or more classes have equal ownership interests, the certification category shall be determined by the business concern.

(Source: P.A. 98-95, eff. 7-17-13; 99-143, eff. 7-27-15.)