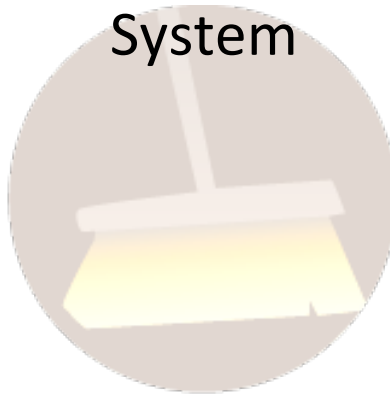


State of Louisiana

Louisiana School Employees' Retirement
System



L S E R S

IBM iSeries Software Application Conversion

Request for Proposal

LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM

July 1, 2012

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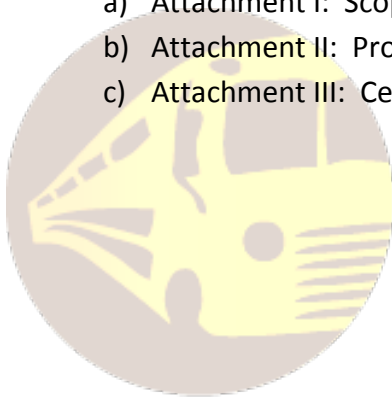
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L S E R S

LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM

I. General Information

a) Purpose

This Request for Proposals (RFP) is issued by LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM (herein referred to as "LSERS") for the sole purpose of providing a custom application development while utilizing the LSERS architectural document concerning the total redesign and implementation of our internal iSeries software application into a web-based internal application new system (NSys). The NSys must be developed utilizing this architectural document with the requirement that all programming will be accomplished within Microsoft Visual Studio 2010 Professional with the database residing within Microsoft SQL Server 2008 Enterprise or higher.

b) Background

LSERS has an antiquated software application that resides within an IBM iSeries environment that lacks much functionality desired within our organization. LSERS is seeking an outside Contractor to provide programming from our architectural document and prototype on all information concerning the current system and its functionality to be included into a total design with many enhancements included that is not available within the current application. This development project will provide custom programming on the functionality and design of the NSys that will be offered through this RFP. The architectural document referred throughout this RFP can only be viewed onsite during official business hours of 8:00 a.m. to 4:30 p.m. Central Daylight Time (CDT) at LSERS' office located at 8660 United Plaza Blvd Baton Rouge, LA 70809-7004. Email Jack Allen at JAllen@LSERS.Net to setup designated time to review.

c) Scope of Services

Attachment I details the scope of services and deliverables or desired results that LSERS requires of the Contractor.

II. Administrative Information

a) Expected Time Period for Contract

The period of the contract resulting from this RFP is tentatively scheduled to begin on or about September 1, 2012 and must be completed by June 30, 2013 with the option, in favor of LSERS, to renew for up to a total of three (3) years. There will be Phases 1 & 2 that will encompass the entire project.

b) RFP Coordinator

This RFP is available in electronic form at <http://www.lasers.net/> in PDF format. The RFP Coordinator is Jack Allen, LSERS Information Technology Director whose physical address and contact information is 8660 United Plaza Blvd Baton Rouge, LA 70709 Telephone: 225.925.4929 Email Address: JAllen@lsers.net

c) Proposer Inquiries

LSERS will consider written Proposer inquiries regarding the RFP Scope of Services before the date specified in the Calendar of Events. LSERS reserves the right to modify the RFP should a change be identified that is in the best interest of LSERS. To be considered, all inquiries and requests for clarification of the content of this RFP must be received via email to JAllen@lsers.net by 4:30 p.m. (CDT) on the date specified in the Calendar of Events. All questions directed to the RFP Coordinator will be deemed to require an official response. Official responses to all questions presented by the Proposers will be posted according to the date listed on the Calendar of Events at <http://www.lasers.net/>.

d) Calendar of Events

Event	Date
Advertise RFP	June 30 & July 7
Deadline for receiving Proposer inquiries	July 15
Issue Responses to Proposer inquiries	July 20
Proposal submission deadline	July 31
Announce selection	August 20
Contract Execution	September 1

Note: LSERS reserves the right to amend and/or change this schedule of RFP activities, as it deems necessary.

III. *Proposal Information*

a) Proposal Response Location

Proposers who are interested in providing professional services under this RFP must submit a proposal containing the information specified in Section IV. The fully completed proposal with original signatures by an authorized representative and eight (8) copies must be received in hard copy (printed) version by the RFP Coordinator at the physical address designated in Section II by the deadline date specified in the Calendar of Events. Fax or e-mail submissions of proposals are not

acceptable. It is solely the responsibility of each Proposer to assure that its proposal is delivered at the specified place and prior to the deadline for submission. Proposals, which for any reason are not so delivered, will not be considered for purposes of this RFP.

b) Determination of Responsibility

Determination of the Proposer's responsibility relating to this RFP shall be made according to the standards set forth in the Louisiana Administrative Code (LAC) 34:136. LSERS must find that the Proposer:

- Has adequate financial resources for performance or has the ability to obtain such resources as required during performance.
- Provide the necessary experience, organization, technical qualifications, skills, and facilities or has the ability to obtain them.
- Is able to comply with the proposed or required time of delivery or performance schedule.
- Has a satisfactory record of integrity, judgment, and performance.
- Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure their proposal contain sufficient information for LSERS to make its determination by presenting acceptable evidence of the above to perform the services called for by the contract.

c) RFP Addenda

LSERS reserves the right to change the calendar of events or revise any part of the RFP by issuing an addendum to the RFP at any time before the proposal submission deadline.

d) Waiver of Administrative Informalities

LSERS reserves the right, at its sole discretion, to waive administrative informalities contained in any proposal.

e) Proposal Rejection

Issuance of this RFP in no way constitutes a commitment by LSERS to award a contract. LSERS reserves the right to accept or reject, in whole or part, all proposals submitted and/or cancel this announcement if it is determined to be in LSERS' best interest.

f) Withdrawal and Resubmission of Proposal

A Proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the Proposer must be submitted to the RFP Coordinator.

g) Subcontracting Information

LSERS shall have a single prime Contractor as the result of any contract negotiation, and that prime Contractor shall be responsible for all deliverables referenced in the RFP and proposal. This general requirement notwithstanding, Proposer may enter into subcontractor arrangements, however, should acknowledge in their proposal total responsibility for the entire contract.

If the Proposer intends to subcontract for portions of the work, the Proposer should include specific designations of the tasks to be performed by the subcontractor. Information required of the Proposer under the terms of this RFP is also required for each subcontractor.

h) Ownership of Proposal

All materials submitted in response to this RFP become the property of LSERS. Selection or rejection of a proposal does not affect this right.

i) Proprietary Information

Only information which is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Law, La. R.S. 44:1-41 and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

j) Cost of Preparing Proposal

LSERS is not liable for any costs incurred by prospective Proposers. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP are entirely the responsibility of the Proposer and shall not be reimbursed in any manner by LSERS.

k) Errors and Omissions in Proposal

LSERS will not be liable for any errors in proposals. LSERS reserves the right to make corrections or amendments due to errors identified in proposals by LSERS or the Proposer. LSERS, at its option, has the right to request clarification or additional information from the Proposers.

l) Contract Award and Execution

LSERS reserves the right to enter into a contract without further discussion of the proposal submitted based on the initial offer received. LSERS reserves the right to contract for all or a partial list of services offered in the proposal. All or appropriate selected portions of the RFP and proposal of the selected Proposer will become part of any contract initiated by LSERS. The selected Proposer will be expected to enter into a contract containing expectations and requirements provided in this RFP. In no event is a Proposer to submit its own standard contract or contract terms and conditions as a response to this RFP. If the selected Proposer fails to sign the final contract within five (5) days of delivery to LSERS, LSERS may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

m) Code of Ethics

Proposers are responsible for determining that there will be no conflict or violation of the Louisiana Code of Governmental Ethics if their company is awarded the contract. Ethics issues are interpreted by the Louisiana Board of Ethics.

IV. *Response Instructions*

a) Proposal Submission

Proposals must be received on or before 4:30 p.m. CDT on the date specified in the Calendar of Events. Proposers mailing their proposals should allow sufficient mail delivery time to ensure receipt of their proposal by the time specified. The proposal package must be delivered at the Proposer's expense to the RFP Coordinator. It is solely the responsibility of each Proposer to assure that its proposal is delivered at the specified place and prior to the deadline for submission. Proposals which, for any reason, are not received timely will not be considered.

b) Proposal Format

LSERS requests that one (1) original and (8) copies of the proposal be submitted to the RFP Coordinator at the address specified. At least one copy of the proposal shall contain original signatures and clearly marked or differentiated from the other copies of the proposal. This originally signed copy will be retained by LSERS for

incorporation by reference in any contract resulting from this RFP. The proposal must be signed by those company officials or agents duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority should be submitted.

c) Cover Letter

A cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer.

d) Technical and Cost Proposal

The Proposer should submit a proposal as specified in Attachment II which shall include sufficient information to satisfy LSERS' evaluators that the Proposer has the appropriate experience and qualifications to perform the scope of services as described herein. The Proposer should respond to all areas requested.

e) Certification Statement

The Proposer must sign and submit a Certification Statement as shown in Attachment III.

V. *Evaluation and Selection*

a) Evaluation Team

The evaluation of proposals will be accomplished by an evaluation team, to be designated by LSERS, which will determine the proposal most advantageous to LSERS.

b) Administrative and Mandatory Screening

All proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in the RFP. Proposals found not to be in compliance will be rejected from further consideration.

c) Evaluation and Review

Proposals that pass the preliminary screening and mandatory requirements review will be evaluated based on information provided in the proposal. The evaluation will be conducted according to the procedure below.

Notes about the Cost Section:

1. The cost for the project must be turn-key at a fixed cost with payments broken into eight equal payments at one eighth (12.5%) intervals throughout the development.
2. Any proposal that fails to present this information as requested will not be considered for an award under this RFP.
3. The Evaluation Team will evaluate and score the proposals using the criteria and scoring specified in the following table:

Criteria	Maximum Score
Approach and Methodology	50
Relevant Firm Experience & Staff Qualifications	25
Cost (Total Cost Ceiling)	25
Total Score	100

Each Proposer will receive a Cost Score (Total Cost Ceiling) computed as follows:

$$CS \text{ (Total Cost Ceiling)} = (LPC/PC \times 25)$$

Where: CS = Computed Cost Score for Proposer
 LPC = Lowest Proposed Cost of all Proposers
 PC = Proposer's Cost

d) Announcement of Contractor

LSERS will notify the successful Proposer and proceed to negotiate terms for a final contract on the date provided in the Calendar of Events. Unsuccessful Proposers will be notified in writing accordingly.

VI. *Contractor Requirements*

a) Corporation Requirement

If the successful Contractor is a corporation not incorporated under the laws of the State of Louisiana, the Contractor shall have obtained a certificate of authority pursuant to La. R. S. 12:301-302 from the Louisiana Secretary of State. If the successful Contractor is a for-profit corporation whose stock is not publicly traded, the Contractor shall ensure that a disclosure of ownership form has been properly filed with the Louisiana Secretary of State.

b) Confidentiality

All financial, statistical, personal, technical, and other data and information relating to LSERS' operation which are designated confidential by LSERS and made available to the successful Contractor in order to carry out this contract, or which become available to the Contractor in carrying out this contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to LSERS. LSERS will evaluate the Contractor's methods and procedures of handling data and determine if it meets the requirements of LSERS. If the Contractor's procedures are not adequate LSERS' will instruct how data will be transferred to our organization. If the methods and procedures employed by the Contractor for the protection of the data and information are deemed by LSERS to be adequate for the protection of LSERS' confidential information, such methods and procedures may be used, with the written consent of LSERS, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the contract, or is rightfully obtained from third parties. Under no circumstance is the Contractor to discuss and/or release information to the media concerning this project without prior express written approval from LSERS.

VII. Attachments

a) Attachment I: Scope of Services

1. Overview

LSERS is seeking a Contractor to develop a web-based application to replace its internal iSeries software application and transfer all data from existing software into the NSys. The architectural document is a complete blueprint on developing the application and the NSys will be developed using these components while programming in such a way that any developer of reasonable skill can modify or enhance the application.

2. Tasks and Services

While gathering data not defined within the architectural document, Contractors shall elicit information through onsite communication with staff while limiting contact through electronic or phone communication. Email communication is appropriate only to convey reasonable amounts of

information, but the majority of data gathering should be onsite with LSERS staff members assisting with the process. There will be weekly and monthly updates provided in writing to keep management up to date on the progress of the development of NSys. Upon completion of this project, the Contractor will present their development in electronic format with the understanding that all aspects of this project, especially the source code, will be the property of LSERS. The information cannot in anyway be duplicated or offered to anyone other than our organization without written permission from LSERS Executive management.

3. Functional Requirements

The Contractor will provide all resources to develop the new software application system. Contractor will provide all services as necessitated by law, rule changes or LSERS management determination. Within this project, the Contractor will provide any requested knowledge transfer to LSERS staff as appropriate.

4. Technical Requirements

It is a requirement that all development of the architectural document will be accomplished using Microsoft SQL Server 2008 or higher Enterprise Edition with programming accomplished through Microsoft Visual Studio 2010 Professional. The program will be developed as a web-based product and will provide complete support of the product for ninety (90) days after application is placed into production.

5. Data Migration

It is also a requirement that all data residing within the current iSeries application will be migrated into the new system with an audit to be performed by staff with assistance from chosen Contractor. A document breaking down the various components of data migration from a high level view will be available in the same location as the RFP located on the LSERS website.

6. Phases

The project has a total of two (2) phases from a high level view that will need to be accomplished before the development is complete. These two (2) phases are broken into eight (8) sections that will allow users to begin utilizing the NSys upon completion of each one-eighth section of the project. It is likely funding will have to span over the course of multiple fiscal years to complete the project in its entirety.

7. Deliverables

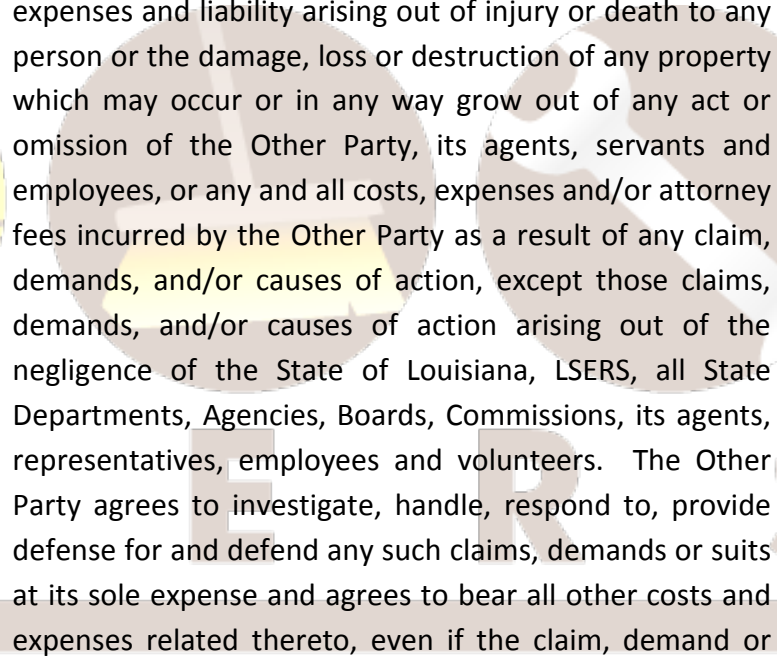
The Contractor shall produce and provide to LSERS:

- a) Any documentation presented will be detailed with the requirement that any programmer with reasonable skill could understand and develop within the NSys.
- b) This RFP will only accept proposals that reflect a turn-key price on completing this project. Any proposals that are submitted at an hourly cost will be rejected immediately. Our organization wants one cost that will encompass the development of our new system from our architectural document.
- c) Payment will be broken into eight (8) sections that will be dispersed when one-eighth percent of the work is complete. The last payment will not be issued until LSERS Executive Management is completely satisfied with the development and has approved the final invoice to be paid.
- d) Insurance Requirements for Contractor
Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, or employees.

Contractor shall not commence work under this contract until they have obtained all insurance required under this paragraph and such insurance has been approved by LSERS.

- 1) Commercial General Liability: \$1,000,000.00 combined single limit per occurrence for bodily injury, personal injury and property damage. The Contractor shall take out and maintain Commercial General Liability Insurance during the life of this contract for protection from claims or property damages, which occur from operations under this contract, by anyone directly or indirectly employed by the Contractor. The policy shall add LSERS as an additional insured to all required liability coverage and be endorsed to give LSERS thirty (30) days notification if the insurance coverage is cancelled. Insurance must be placed with commercial insurance companies which possess a minimum of A.M. Best Company rating of **A** or higher. Contractor shall disclose

deductibles and levels of retention. LSERS may require Contractor to post a surety bond guaranteeing payment of losses and defense costs within the deductible or retained layer. Contractor shall agree to the following indemnification agreement:



“The Other Party agrees to save and hold harmless, protect, defend, and indemnify the State of Louisiana, LSERS, all State Departments, Agencies, Boards and Commissions, its officers, agents, employees and volunteers, from and against any and all claims, demands, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the Other Party, its agents, servants and employees, or any and all costs, expenses and/or attorney fees incurred by the Other Party as a result of any claim, demands, and/or causes of action, except those claims, demands, and/or causes of action arising out of the negligence of the State of Louisiana, LSERS, all State Departments, Agencies, Boards, Commissions, its agents, representatives, employees and volunteers. The Other Party agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suits at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claim, demand or suit is groundless, false or fraudulent.”

2) Workers' Compensation and Employers Liability: Workers' Compensation limits must be as required by the labor code of the State of Louisiana and Employers Liability coverage. The Contractor shall take out and maintain, during the life of this contract, Workers' Compensation Insurance for all of their employees employed at the site of the project. In case any class of employees engage in hazardous work under this contract, at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide Employers Liability Insurance for the protection of their employees not otherwise protected.

The Contractor understands that all materials, files, executables, coding, databases and designs as it pertains to the support, development and enhancement of the above mentioned tasks and services are fully owned by LSERS.

b) Attachment II: Proposal Information

1. Executive Summary

This section should serve to introduce the purpose and scope of the proposal. It should include administrative information including, at a minimum, response date, Proposer's contact name and phone number, and the stipulation that the proposal is valid for a time period of ninety (90) days from the date of submission. This section should also include a summary of the Proposer's qualifications and ability to meet LSERS' overall requirements. It should include a positive statement of compliance with the contract terms. If the Proposer cannot comply with any of the contract terms, an explanation of each exception should be supplied. The Proposer must address the specific language in Section IV and submit whatever exceptions or modifications (subject to LSERS' approval) that its firm may seek. While some final wording will be resolved during contract negotiations, the original intent of the provisions will not be substantially altered.

2. Corporate Background and Experience

The response should include the ability of the firm to meet the objective of this project, especially the time constraints, and on the quality, relevance and recentness of similar projects completed by the firm while providing five (5) references. The Proposer should summarize the unique value that their corporate participation adds to this project with regard to providing deliverables.

3. Proposed Project Staff

The written proposal must specify key individuals who will be on the project team and indicate their necessary skills and experience. An emphasis will be placed on the qualifications of the Proposer's Project Manager and the availability of the Project Manager to oversee project operations. The proposal should include education and recent experience of key individuals, with particular reference to their ability to analyze complex organizational and informational needs and to determine the best way to meet these needs; and with performing strategic planning and feasibility studies for streamlining and revising the operations of regulatory or similar agencies for the project manager

and other project staff. The Proposer should summarize the unique value that their proposed project staff would add to the project with regard to providing project deliverables.

4. Approach and Methodology

Essential to obtaining the objective of this project is the preparation of a well considered approach. The Proposer should define its functional approach in developing from the architectural document reflecting the most effective means of accomplishing the tasks and services. The Proposer should define the methodology and approach to be utilized for system development of new programs. The Proposer should define its approach for supporting the current projects within LSERS' infrastructure and identify issues that would prevent or impair implementation or operation across Louisiana State government's heterogeneous environment. The Proposer should clearly show how its approach would include additional creative steps beyond what LSERS has already identified as needed system changes and methods to make LSERS staff more efficient and effective in performing regulatory and programmatic functions.

5. Project Management and Work Plan

The Proposer must describe the project management approach and tools to be used in a proposed project work plan. Emphasis should be placed on the soundness and completeness of the work plan including the techniques to be used for collecting and analyzing data, sequencing and relationship of major steps, timeliness of the project proposal, and methods for implementing the project. The Proposer should summarize the unique value that the proposed project management and work plan adds to the project with regard to assuring quality project deliverables.

6. Cost Information

The Cost section must include a turn-key price for accomplishing the entire project. Any proposals submitted with alternate compensation will result in an automatic removal from the RFP proposal process. This project will be broken into eight (8) sections in which the Contactor agrees that payment will not be received until each section is completed to the satisfaction of LSERS Executive Management.

7. Administrative Information

Provide a completed Certification Statement as shown in Attachment III with copies of insurance policies, both public liability and workers' compensation.

c) Attachment III: Certification Statement

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT - LSERS requires that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the Contact Person's name and fill in the information below: (Print Clearly)

Date: _____ Official Contact Name: _____

A. E-mail Address: _____

B. Telephone Number with area code: (_____) _____

C. Physical and Mailing Addresses:

Proposer certifies that the above information is true and grants permission to LSERS to contact the above named person or otherwise verify the information I have provided.

By its submission of this proposal and authorized signature below, Proposer certifies that:

- (1) The information contained in its response to this RFP is accurate;
- (2) Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein;
- (3) Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP;
- (4) Proposer's quote is valid for ninety (90) days from the date of Proposer's signature below;

(5) Proposer understands that if selected as the successful Proposer, he/she will have five (5) days from the date of delivery of LSERS' final contract in which to complete contract negotiations, if any, and execute the final contract document:

SIGNATURE of Proposer's Authorized Representative:

Date Signed: _____

Authorized Signature: _____

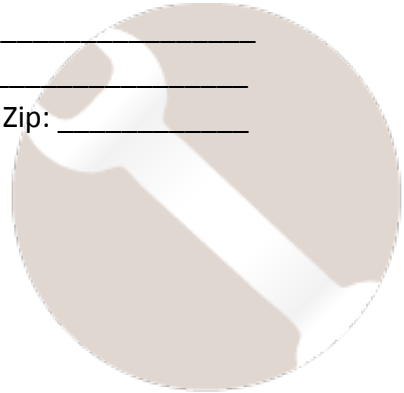
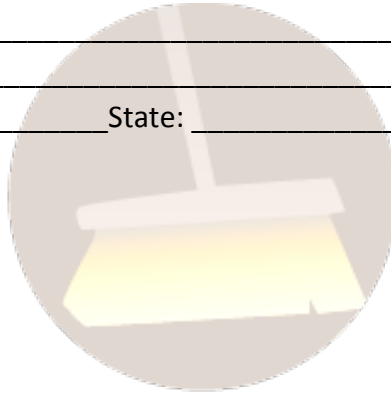
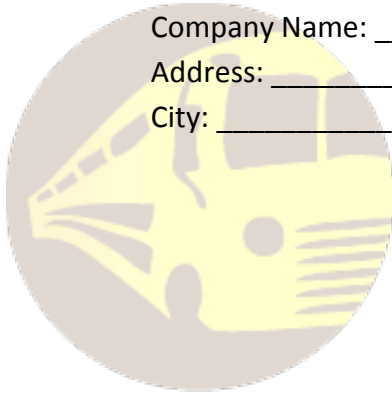
Typed or Printed Name: _____

Title: _____

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____



L S E R S

LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM