

# PROCUREMENT SOLICITATION DOCUMENT



## The Interlocal Purchasing System (TIPS)

A Cooperative Purchasing Program available for membership by Government and Other Entities in all fifty states.

*Lead Agency*



**Region 8 Education Service Center**

4845 US Hwy. 271 North, Pittsburg, Texas 75686 - Toll-free (866) 839-8477

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E-mail: bids@tips-usa.com

## NOTICE TO PROPOSERS

**DEADLINE DATE FOR ALL PROPOSALS TO BE RECEIVED ELECTRONICALLY**

**or otherwise is:**

**December 15, 2017 at 3:00 P.M. Local Time**

**The solicitation documents may be found at <https://tips.ionwave.net>**

If a problem is encountered accessing the solicitation, please contact TIPS at the address or phone listed above for help.

**This solicitation is a Request for Proposals as permitted in the Texas Education Code § 44.031 for the category:**

### **RFP 171101 Defined Contribution Plans**

NOTICE: The use of the terms Solicitation, Bid, Request for Proposals, RFP, Request for Competitive Sealed Proposals, RCSP, or other specific terms may not be accurate in legal terminology and should be construed to mean the method of competitive procurement listed above with the legal citation of the source of the procurement method. Example: "This Solicitation is a Request for Proposals as permitted in the Texas Education Code Section 44.031".

# General Information

## FINANCING OF TIPS

### TIPS Vendor Paid Fee

The total cost of the TIPS program, in most cases, is primarily funded through an administration fee paid to TIPS by the awarded contractors. The fee is based on actual vendor project sales. Vendor will pay the fee on the actual invoiced and paid sales to TIPS members. Fees are not assessed to vendors for shipping cost, required bond cost, or any taxes that may be applicable.

TIPS establishes a fee for each solicitation for proposals that is in the best interest of TIPS and its members.

**The fee schedule for agreements awarded under solicitation is 2 %.**

**Term of Agreement and Renewals** The initial term of the agreement is three (3) years. Awarded agreements may be extended for one (1) additional consecutive one-year term if both parties agree. TIPS may or may not exercise the one year extension beyond the base three year term and whether or not to offer the extension is at the sole discretion of TIPS. THIS CLAUSE CONTROLS OVER ANY OTHER TERM IN ANY OTHER PART OF THIS SOLICITATION. TIPS reserved the right to solicit proposals at any time it is in the best interest of TIPS and/or its members.

**Termination** TIPS or the awarded vendor may terminate an award under this solicitation at will for cause or no cause for convenience. TIPS must provide the vendor with 30 days written notice to the awarded vendor at the address provided in the response or as otherwise provided. The Awarded vendor shall provide TIPS with 90 days written notice in order to protect the interests of the TIPS member that may be in negotiation.

### Vendor Questions

Questions about the specific SOLICITATION shall be submitted to [bids@tips-usa.com](mailto:bids@tips-usa.com) with the following in the subject line: "SOLICITATION NAME #xxxxxx contractor question". Questions of a ministerial nature will be answered without an addendum, but questions of a substantive nature that are not addressed in the SOLICITATION or deemed relevant to the process by TIPS will be addressed by properly posted addendum.

**QUESTIONS WILL BE RECEIVED UNTIL December 6, 2017 AT NOON Local Time.**

### Pre-Bid Meeting (Not Mandatory)

**A Pre-Bid Meeting may be requested by any proposer, if you wish to request a Pre-Bid Meeting, please email [bids@tips-usa.com](mailto:bids@tips-usa.com)**

**By Noon, November 16, 2017.**

**If requested, a Pre-Bid meeting will be scheduled if agreed by TIPS, an addendum posted and a notification will be sent by the electronic bidding system to all known interested parties.**

**\*If Requested TIPS reserves the right to determine if a Pre-Bid Meeting is held.**

## ANTICIPATED SCHEDULE OF AWARD OR RELATED EVENT:

Posting Date	November 2, 2017	
Proposal Deadline	December 15, 2017	(Friday) at 3:00 PM Local Time
Proposal Opening	December 15, 2017	(Friday) at 3:00 PM Local Time
Proposals Award	January 25, 2018	(Thursday) 8:30 AM Local Time
Award Notifications	January 25, 2018	(Thursday) 12:00 PM Local Time
	January 25, 2018	TIPS will begin posting to TIPS Website
	January 25, 2018	Responders may call for results

\*Non-Award letters will be mailed to contractors with No Awards.

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TIPS agreements are available for use by all schools, colleges, universities, cities, counties and other government entities in all fifty states if permitted by the jurisdictions of the governmental entities.

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## **Pricing Models**

### **Pricing for Line Items or Catalog**

It is the intention of TIPS to establish an agreement to furnish and/or deliver all goods and services provided by awarded vendors to its members. Proposers are requested to submit a proposal for offering their complete and total line of available products and services to governmental entities, including school districts.

If a name brand is mentioned in the specifications, proposals on any reputable manufacturer's regularly produced equipment of such items of a similar nature or similarly used and substantially equivalent will be considered.

The list or category of goods or services sought by this solicitation is inclusive and not exclusive. There may be other similarly used items that are sold by the responding vendors that may be included as part of the proposing vendor's "catalog" (defined below) now or during the life of the agreement that are considered included in this solicitation and subject to the minimum discount proposed. Pricing may also be exclusively line item pricing or, and recommended, in combination with a minimum catalog discount.

Example: During the life of the agreement, models change and new products come to market that are in the same category and are added to the vendor's "catalog" and are available for purchase by users of the agreement. If you fail to propose a minimum discount off your catalog, it may limit the ability to change pricing of catalog items and services during the life of the award.

### **Definition of “catalog”**

"Catalog" means the available list of tangible personal property or services, in the most current listing, regardless of date, during the life of the contract, that takes the form of a catalog, price list, schedule, shelf price or other form that:

- A. is regularly maintained by the manufacturer or vendor of an item; and
- B. is either published or otherwise available for inspection by a customer during the purchase process;
- C. to which the minimum discount proposed by the proposing vendor may be applied.

### **Adding New or Replacement Goods Items During the Life of the Agreement**

Is easiest proposing a Minimum Discount off (PREFERRED MODEL) catalog prices for goods or a markup on vendor's cost of a good item. See Pricing sheets 1.

**Pay Careful Attention to This When Completing the Pricing spreadsheets.**

### **Adding New or Replacement Services During the Life of the Agreement**

Is easiest proposing a Discount off (PREFERRED MODEL) catalog prices for Services because there is no manufacturer or supplier's price in which to apply a markup percentage. See Pricing sheets 2.

**Pay Careful Attention to This When Completing the Pricing spreadsheet.**

### **Explanation:**

#### **Markup on cost**

**It is NOT recommended proposers use the Markup pricing method because many members are not allowed to use a bid with a markup pricing method, specifically when using Federal Grant Funds. Using this pricing method may limit the effectiveness of your award.**

If you choose to use the markup pricing method:

When proposing a markup on cost model, the vendor shall be required to provide proof of actual cost to the vendor of the goods sold to verify pricing markup is properly and legally applied for the sale of the goods.

**NEW ITEMS:** TIPS will allow the addition of new goods items to be added to the agreement when they become available to the market through the vendor under the discount off published pricing model or markup on cost model. You must stipulate a discount or markup on catalog price in the appropriate section of the pricing Excel sheet to be eligible for this option. You may stipulate discount off specific brands or lines of goods if you desire. Be thorough and concise. Any items added must be available to all customers, within legal or contractual limitations, if any. (Example: Apple products are

not permitted to be sold to the education market without special agreement from Apple but may be sold to other government customers.)

**REPLACEMENT OF DISCONTINUED OR LIMITED AVAILABILITY ITEMS:** When proposing a Line Item pricing model - TIPS will allow replacement items to the original list item if it is no longer manufactured or is available in limited quantities. Limited availability must be documented by a letter from the manufacturer. Vendor may replace it with an item of like kind and quality and the price will remain the same as proposed, except if it is cheaper, vendor shall lower the price accordingly and if it is more expensive due to vendor's actual cost from the manufacturer, it will be priced and the same discount shall apply as the item it replaces. Vendor shall be required to prove the pricing if the cost is higher than the original core list price to customer.

**Note:** If you propose a minimum Discount off catalog, you avoid this process since you are adding an item to your catalog and list price and the proposed minimum discount off catalog would apply to the new item.

### **Shipping cost:**

Pricing presented for goods offered should not include shipping costs from dealer to Member customer. IF shipping is included in the price regardless of the situation, then you simply state no additional cost for shipping or delivery to any customer. Example if the truck includes deliver but parts do not, then be sure to specify the variations in your pricing. Shipping method is determined by the vendor and the Member/Customer at the time of the quote/purchase by the Member/Customer and satisfactory shipping methods and costs are agreed at that time. Shipping should be passed through at actual cost to the TIPS Member.

## **SPECIFICATIONS and PRICING FORMAT (EXCEL SPREADSHEET)**

Proposals on any reputable manufacturers regularly produced goods falling within the general categories solicited herein will be considered for award. If a name brand is mentioned, it is only to illustrate type and quality and is not intended to restrict competition. Any list included herein is inclusive and not exclusive. There may be other similarly used items that are sold by the responding vendors that may be included as part of the proposing vendor's "catalog" (Defined above) now or during the life of the contract that are considered included in this RFP. Example: During the life of the contract, models change and new products come to market that are in the same category and are added to the vendor's "catalog" and are available for purchase by users of the contract provided the catalog discount or cost markup proposed is honored by the awarded vendor.

TIPS leaves it to the proposer to determine what goods or services that perform or serve this function and the proposer may list or include anything applicable.

## **This solicitation is seeking providers for: 457 Defined Contribution Plans**

It is the intention of TIPS to establish a contract to satisfy the needs of participating government entities for **457 Defined Contribution Plans**. This contract will enable the agencies to purchase/contract on an “as needed” basis from a competitively awarded contract with high performance vendors. Bidders are requested to submit a proposal for offering their total line of available products that are commonly purchased by government entities and school districts.

### *A. Qualification Statement*

Please provide complete responses to each question provided below.

#### *457 Plans*

#### **ORGANIZATION AND HISTORY**

1. Please provide the name(s), title(s), address(es), e-mail address, telephone and fax number(s) of the individual(s) responsible for responding to this request.
2. Provide a brief overview of your company and history of your organization including an organizational chart of your retirement plan operations. Please describe any parent/subsidiary/affiliate relationships.
3. Are you currently participating in any alliances or joint marketing efforts? If so, please describe in detail.
4. Indicate how many years your company has been active in 457 business. (Indicate the period of time for each service, if different, such as investment management for X years, recordkeeping for Y years, trustee services for Z years.)
5. Indicate the total value of assets in all 457 plans for which you provide recordkeeping services.
6. What is the total number of participants in all 457 plans for which you provide recordkeeping services?
7. How many 457 plans do you currently administer?

## *CLIENT SERVICE / QUALITY ASSURANCE*

1. Please describe the team that would deal directly with us during the transition and on an ongoing basis. Indicate staff size, experience and turnover rates.
2. What is the average number of clients managed by the plan administrator for plans of this size?
3. What type of training is required for new employees before they work on client plans?
4. How many of your employees work on 457 plans? Provide breakdown by functional area.
5. What are your client retention statistics for each of the last three years?
  - For those who left, what percentage left due to issues pertaining to services provided by your organization?
  - What is the average client relationship duration?
6. Describe your organization's commitment to quality and your philosophy/approach to client services.
7. Describe your procedures for monitoring
  - client satisfaction
  - participant satisfaction
8. Describe your service/timing standards.
9. What checks and balances do you have in place to assure plan administration integrity and accuracy including participant ACCOUNT data?

## *OPTIONAL DISTRIBUTION BENEFITS*

1. Does your organization offer an a guaranteed withdrawal benefit, without annuitization, with its fixed or indexed annuities?
  - Are their age restrictions?
  - Are the benefits guaranteed for life or for some other period?
2. Does your guaranteed withdrawal benefit offer choices for income (single life, joint life, increasing benefits and or enhanced benefits for the medically impaired, other)?

3. Describe how income benefits are calculated under your guaranteed withdrawal benefit.
4. How does the guaranteed withdrawal benefit affect the policy's death benefit?
5. What are the charges, if any, for your guaranteed withdrawal benefit?
6. What affect do loans have on the income benefit?

### *FICA ALTERNATIVE PLANS*

1. Provide a brief summary of your company's qualifications to provide services for the FICA Alternative plan. How many parties (brokers, administrators, insurers, trustees, etc.) are involved in your program? Who are they and what is their experience with FICA Alternative Plans?
2. Provide a list of all FICA Alternative plan clients. How many plan participants in total are in your FICA Alternative plans?
3. How will you service the plan? Who will work with the agency when queries or issues arise?
4. How do participants enroll in the plan?
5. How are distributions handled?
6. Do you provide QDRO administration?
7. Explain how you educate plan participants on the FICA Alternative Plan. What support and educational resources are available? Please detail all costs for these services.
8. Who would handle the process of obtaining an IRS Letter of Determination for the District for its specific plan documents?
9. How are fees paid? Please describe the total fees, expenses, revenues, commissions, or other income earned and paid to the various parties involved with the plan, including hard and soft dollar fees.
10. Service providers will be expected to prepare a customized plan document for the City that meets the requirements of the applicable IRS Code. Such providers must agree to keep the plan document up to date with changes in laws and regulations. Do you agree to these terms and conditions? Are there any additional fees for these services?



11. Provide all legal documents and service agreements to enter into the program.

#### *RECORDKEEPING / ADMINISTRATION*

1. Do you provide one main contact for the daily administrative needs of this plan?
2. Do you provide daily valuation? Describe in detail how your system allocates earnings.
3. What methods of data transmission are available?
4. Describe in detail how your system processes contributions.
5. Describe in detail, including timing, how your system processes withdrawals (i.e. in-service and hardship withdrawals).
6. Describe in detail, including timing, how your system processes:
  - a. lump-sum distributions
  - b. systematic payments/installments
  - c. annuitization
  - d. rollovers to another plan or an IRA
  - e. required minimum distributions
7. What options are available to terminated/retired participants? Can funds be kept under the plan?
8. Describe in detail how your system processes transfers/exchanges (including frequency/limitations). Are confirmations sent?
9. Describe your process and methods of reallocation (percent and/or dollar).
10. Can employer and employee contributions be tracked separately?
11. Describe in detail your system's vesting capability. How many different schedules can your system support?
12. Describe in detail how your system handles Federal and State tax reporting (i.e. Form 1099R). Do you provide tax form preparation and filing?

13. Describe in detail how you administer Qualified Domestic Relations Orders (QDROs).
14. What checks and balances do you have in place to ensure transactional integrity?
15. Do you provide an administration manual?

### *REGULATORY SERVICES*

1. Describe your capabilities for the following:
  - a) Annual addition limitations: 415(c)
  - b) Monitoring of elective deferrals: (402(g))
  - c) Coverage testing for controlled groups: 410(b)
2. How do you address violations for any of the testing covered in question 1?
3. Do you provide:
  - a) Customized plan document
  - b) Prototype plan document
  - c) Customized SPD
  - d) Prototype SPD
  - e) Qualification submission
4. How do you keep Plan Sponsors informed and updated on any regulatory and legislative changes?
5. How will you ensure that our plan remains in compliance?
6. How do you ensure that your recordkeeping system is in compliance with all regulations?
7. Describe any past or pending litigation, within the last 5 years, relating to the services you are proposing.

### *LOANS (IF APPLICABLE)*

1. Describe in detail your loan processing capabilities.
2. Do you have paperless loan capabilities? If so, describe.
3. Describe the flexibility in your loan repayment processing (i.e., additional payments, multiple loans, missed payments).
4. How do you handle delinquent and/or defaulted loans?
5. What responsibility do we retain for initial and ongoing loan servicing?
6. Describe any other features and/or limitations of the loan system not detailed above (i.e., loan modeling, amortization scheduling, etc.)

### *REPORTING*

1. Describe the standard reporting package that you would provide us as well as the medium(s) used (provide samples).
2. Describe any customized or ad hoc reporting capabilities including Internet capabilities.
3. Describe your standard participant level statements and documents (provide samples).
4. Describe your customization capabilities for participant level statements.
5. Can reports/statements be produced on other media? Please describe.
6. What is the standard timeframe for providing each report after the reporting period ends?

### *INTERNET ACCESS AND CALL CENTER*

#### **Internet Access**

1. Describe the account services and transaction capabilities available through your participant website.
2. Are there any transactions that cannot be processed through your website?
3. Describe how data is secured within the system (i.e., PIN, audit trail, confirmations).

4. Describe the level of customization available for clients using your internet services.
5. If a participant elects to move from the website to a call center service representative, describe the interface between the website and the service representative.
6. How often is the data on the website updated? How does the website interface with the recordkeeping system?
7. Please identify your website account access and transactional availability statistics (average availability per month as a percentage).

### *Call Center*

1. Please identify your toll-free service center standards. Please include for each of the last three calendar quarters, statistics related to actual performance.
  - Number of calls
  - Average length of calls
  - Average response time
  - Percentage of calls requiring follow-up
  - Call abort rate
  - Percentage of incoming calls totally handled via VRS versus toll-free live service center representative assistance
  - Percentage of service requests handled via website versus call center and VRS
2. What training is provided to toll-free service center representatives before they are allowed to handle incoming calls?
3. Do you monitor and/or tape toll-free calls?
4. What are your case management procedures for calls that have service issues?
5. What information is available to toll-free service representatives to allow them to effectively answer participant questions?

### *COMMUNICATION AND EDUCATION*

1. Briefly describe your background and experience in providing communication and

education programs.

2. Identify the key elements provided as part of a standard communication and education program package included in your proposal.
3. Identify non-standard elements to a communication and education program you may provide for an additional charge.
4. Describe separately your initial and on-going communication and education program (including printed material, visits, training, etc.). If the program is tailored to a specific plan sponsor need, identify the critical issues to be determined in designing such a program.
5. Can material be customized?
6. Do you provide personnel resources as part of both the initial and on-going communication and education program?
7. Do you provide communication and education material in a foreign language? If so, what language(s) and what material?
8. Do you create all of your communication and education material in-house or through third-parties?
9. Describe the process you use to help plan sponsors measure the effectiveness of employee education efforts.
10. Does your organization provide any services (i.e., personal questionnaires, software) that would help individual participants with financial planning? Describe any electronic education tools you provide, both software-based and web-based.
11. Describe your position on providing investment advice to participants.
12. If advice is offered, is it in-house or via a third party? Describe your process, mode and scope of advice.
13. Describe education tools or programs designed to support IRA rollovers and/or retirement distributions.
14. Provide samples of initial enrollment and on-going communication and education materials (please include as an appendix to your response).

### *CONVERSION (FOR EXISTING PLANS)*

1. Explain your conversion process, including time frame, based on the options available.
2. Is a “black-out” period required? If yes, how long is it and what is restricted or not available during that time?
3. What involvement will be required from us during the conversion process?
4. Do you provide a dedicated conversion team?
5. What conversion audit reporting do you provide?
6. Describe your process to ensure accurate conversion of all historical data.
7. Do you have any limitations as to the format/media of conversion records?
8. How are investments handled during the conversion process?
9. How does your system handle conversion/set-ups of pre-existing loans from another recordkeeping system?
10. How do you monitor the effectiveness and quality of your conversion process and team?

### *IMPLEMENTATION (FOR NEW PLANS)*

1. Explain your implementation process including time frame. What is the minimum time frame needed to ensure a smooth implementation?
2. What involvement will be required from us during the implementation process?
3. Do you provide a separate team apart from the ongoing team for implementation responsibilities?

### *SYSTEMS CAPABILITIES AND HARDWARE*

1. Describe the hardware platform and software system you use to record keep and administer 401(a) plans.

2. Was the software developed internally, leased, or bought from another provider? Who has the ultimate responsibility/authority to make sure the software remains current to laws, regulations, client needs, etc.?
3. How often is the system upgraded?
4. What system enhancements do you have planned over the next three years for:
  - Core recordkeeping system
  - Service technology
5. Describe your documented disaster recovery plan. How often do you test your recovery system?
6. Describe your maintenance and backup procedures including daily backups, retention timetable and off-site backup storage approach. Where are your off-site backup facilities located?
7. Describe the method of maintaining plan sponsor and participant history on the system.
8. Describe the valuation methods offered by your system.
9. Are internal controls of your recordkeeping system audited by an independent accounting firm on an annual or more frequent basis? If so, please provide a copy of the most recent report.
10. Does the system allow for plan sponsor customization/limits such as:
  - transfer frequency
  - minimum/maximum contribution percentages
  - withdrawal frequency
  - investment election changes
  - other
11. Describe your system's maximum limits with regards to the following:
  - investment funds
  - money types
  - loans

- transfers
- other

12. Please provide ongoing transaction layouts if specific layouts are required.

### *INVESTMENTS*

1. Discuss your organization's ability to provide investment vehicles for 401(a) plans. Be sure to disclose if you are providing these vehicles in-house or through external managers.
2. How can you help us comply with 404(c)?
3. How long have you provided investment services?
4. Please identify the number and types of investment vehicles that will be available to us.
5. For each investment vehicle identified above, provide:
  - the inception date,
  - the name of the investment/portfolio manager,
  - a biography of the manager,
  - the investment vehicle objective,
  - the investment philosophy,
  - the expense structure (including any loads, load waivers, management fees, other expenses, 12b-1 fees, fee subsidies, etc.),
  - the comparative index(s) used by the manager, and
  - withdrawal provisions (including restrictions on transfers).
6. For each investment vehicle, provide the annualized return for the 1, 3, 5 and 10 year (or since inception) periods ending on the last calendar quarter.
7. For the stable value investment with guaranteed interest, describe the current and minimum interest rate guarantees, how interest is credited, and the frequency of rate



changes. Furthermore, provide the make-up of the underlying portfolio including asset type, grade and percentage breakdown.

10. Provide a copy of your investment contract (please include as an appendix to your response).

### *REFERENCES*

1. Please provide 3 references of current clients who have similar plan demographics (i.e., size and plan design). At least 1 of the 3 should have converted within the last year. Please provide client name, contact name, address, phone number, services provided, and year they became a client.

### *COST CONSIDER ATIONS*

### **EXPENSES**

**Please provide a schedule of expenses covering each of the services and activities listed below. For each of the expenses the potential vendor must also identify if the expense is:**

- One-time or on going
- Breakpoint impacted
- Participant paid (direct or account adjustment)
- Guaranteed (length of guarantee)
- Performance adjustable charge
- Discount oriented
- Plan sponsor paid (billed and billing frequency)
- Absorbed in determining daily investment share/unit value

*In addition to the expense schedule, the following will also be considered:*

1. What are the start-up/conversion costs and the termination costs?
2. For how long will you guarantee specific expenses?
3. What are the factors you consider in determining future increases and when they are to occur?
4. Are there additional charges made at the time of plan changes we initiate or legislated or regulated changes? Please address the differences should we use a prototype or

individually designed plan.

5. Describe what plan consulting services are included and related hourly charges and out-of-pocket expenses.
6. How are expenses adjusted if a sizable number of participants are added or removed from the plan (such as either acquisition or divestiture or partial plan termination)?
7. Do you offer any expense arrangement whereby we share in your firm's upside potential as participants and plan assets increase over time?
8. If you offer an alliance relationship, please identify any "offset" to expenses.

**Additional Services:**

Bidder should list in the Pricing Sheet 2 excel spreadsheet all related supplies, equipment, services, installation, repair, maintenance, and hourly fee or other defined unit cost according to category offered on this contract. Offering must be related to this category. No inappropriate offerings will be considered.

The Contractor shall furnish all necessary labor, materials, tools, supplies, equipment, transportation, supervision, management and shall perform all operations necessary and required for services. All work shall be performed in accordance with the requirements set forth in the resulting contract and each mutually agreed upon work request or purchase order issued by TIPS participating members.

**NOTHING IN THIS SOLICITATION IS REQUESTING SERVICES THAT ARE CONSIDERED A PUBLIC WORK/CONSTRUCTION.**

Pricing Sheets 1 and 2 must be downloaded from the "Attachments" section, completed and uploaded to the "Response Attachments" PRICING sections.

Since the list of items a vendor may carry is potentially very long, and items are removed and added to the market frequently, it may be more advantageous to propose a **minimum discount** off your catalog for goods and services. You may offer different discounts for different brands or lines or services of goods if you choose.

**A zero discount off catalog proposal is permitted, but** TIPS encourage vendors to propose the best discount they feel is necessary to compete with other retailers to provide the greatest benefit to TIPS members.

Please propose a minimum discount off catalog for all non-line items proposed so you will be covered when future items are available in you catalog. By doing this, the pricing is a ceiling and not a floor. You may always lower your price or increase your minimum discount percentage to be more competitive in a particular situation

You may propose all goods as a line item list if you prefer but the PREFERRED proposal method is a minimum discount off catalog prices. Line item proposal prices may only be increased by the markup method or by application of the US Department of Labor (General (not industry specific) Consumer Price Index (CPI) percentage increase applied annually, so proposing the discount off catalog price may provide easier price adjustments but ensures that they are applied fairly to all customers of the vendor because they are published for all customers to see. **You may propose, both discount off a catalog AND line item pricing for specific lists of items if you choose to.**

**Caution:** Using the Markup method of pricing may exclude some members when using Federal funds as Federal regulations prohibit this type of pricing and some local regulations prohibit this type of pricing and it always requires the proposer to make available to TIPS or its members proof of the cost of the item to the proposer to verify the markup is applied according to the terms of this solicitation ad resulting award.

You may stipulate different discounts off on specific brands or lines of goods if you desire.

#### **PRICING FORMAT (EXCEL SPREADSHEETS 1 and 2)**

**DO NOT PROPOSE “PRICE TO BE DETERMINED” or “ON REQUEST”. This method is not lawful to award by TIPS.**

**It is understood that pricing for 457 Defined Contribution Plans will likely not fit squarely in our pricing models described. However, TIPS Members and TIPS must be able to calculate pricing for their needs using your proposal. Please provide pricing models that can meet that public bidding requirement.**

#### **Pricing Sheet 1 excel sheet**

There are three (3) sections in the Excel sheet #1, Section A, B, and C provided in the solicitation documents, please complete all that are applicable to your proposal. The discount off catalog price is the preferred method and please propose that method in addition to any other method you desire to cover future item or service availability.

Example: IF you are providing a line item pricing sheet AND a discount off the rest of your catalog, be sure to provide both the line item prices on the list of items proposed and a minimum discount off the rest of your catalog. If different sections of your catalog have different minimum discounts, please note accordingly.

#### **Pricing Sheet 2 excel sheet**

List any other services, maintenance agreements, mileage fees, maximum travel costs, etc. with line item pricing for year One and maximum percentage increase in pricing for years Two and Three of the awarded contract AND/OR discount off Catalog price as defined above if services are routinely listed in your catalog and priced therein.

Vendor may provide additional pricing in another format.

**ALL PRICING SHALL BE FIRM AND CALCULABLE AT THE TIME OF SALE DURING THE LIFE OF THE CONTRACT AND MUST CONFORM AND COMPLY WITH THE VENDOR'S PROPOSED PRICING MODEL IN RESPONSE TO THE ORIGINAL SOLICITATION. DO NOT PROPOSE "PRICE TO BE DETERMINED". If you have question on this process, call TIPS for clarification.**

Example: Proposed catalog, web or store price for an item is \$10.00 each and your proposed minimum discount is 5%, then the price is firm and calculable as \$9.50.

Please provide any explanatory information on your pricing proposal you believe is necessary to fully inform TIPS of your intent.

### **Service Incidental to the Sale of Goods**

Many times, the sale of goods may be accompanied by the installation or set up of said goods. Proposers may submit pricing for the services in the Pricing Sheet 2 spreadsheet or in an attachment.

**Any and All SERVICES may be proposed, but must be priced either as a line item or as a discount off the published Catalog price for said services. You may provide a catalog of services or a link to the available services or you may create a TIPS-specific Catalog list of services with applicable pricing. Please specify or illustrate your chosen method.**

**If LINE ITEM GOODS pricing, and during the life of the award, prices may be increased only commensurate, dollar for dollar as your cost for the item increases. To increase the price of a line item prices good, vendor must submit proof from the manufacturer or distributor that the pricing has increased and by how much.**

**NOTE: FAILURE TO PROPOSE SERVICES SHALL EXCLUDE THEM FROM YOUR OFFERING THROUGH THIS AWARD SO, PLEASE INCLUDE THEM IN SOME CALCULABLE WAY. YOU MAY PROVIDE A PERCENTAGE DISCOUNT OFF POSTED PRICES OR CATALOG PRICES FOR THE LOCATION OF THE STORE OR IN SOME SPECIFIC MANNER THAT FITS YOUR BUSINESS MODEL.**

**When using line item pricing, vendor should provide on pricing template 2 a maximum price increase percentage for annually for renewal years. Complete all excel pricing forms.**

## **PROPOSAL SCORING AND EVALUATION**

A qualified evaluation committee will evaluate and score all proposals. Recommendations for award will be made to the Region 8 Education Service Center Board of Directors. Awards will be granted or denied at the monthly stated meeting of the Region 8 ESC Board of Directors. TIPS will base a recommendation for award on several factors mandated by the Texas Education Code section 44.031. The factors which will be considered and weighted points in each area as follows (100 total points): 30

TIPS shall use a final overall scoring system to include consideration for competitive pricing, best value price and cost evaluation. TIPS reserves the right to assign any number of point awards or penalties it considers warranted if a offeror stipulates exceptions, exclusions, or limitations of liabilities. Strong consideration will be given to the best value price as it relates to the products and services. However, price is ultimately only one of the factors taken into consideration in the evaluation and award. TIPS shall reserve the right to reject any or all proposals or any part of any proposal.

The following evaluation criteria are mandated for consideration by Texas Education Code § 44.031 (b).

- 1.** Purchase Price: (32) point weight. Per prices quoted as related to information within the request for proposals and the discount off MSRP or other published list pricing or stated prices of goods.
- 2.** The reputation of the vendor and of the vendor's goods or services; (1) point weight. References and TIPS staff knowledge and any other available information known to TIPS may be used to score this criterion.
- 3.** The quality of the vendor's goods or services; (30) point weight. References and TIPS staff knowledge and any other available information known or available through the RFP or otherwise to TIPS may be used to score this criterion.
- 4.** The total long-term cost to TIPS and its members to acquire the vendor's goods or services; (1) point weight. Same as 1 above as there is no objective long term cost on this type of award.
- 5.** Extent to which the Goods or Services meet the Needs: (31) point weight. TIPS evaluators will determine if the proposal provides value to TIPS members and if the goods and/or services offered by the proposer meets the needs outlined in the solicitation.
- 6.** Vendor's Past Relationship: (5) point weight –Only experience within the past 5 years will be evaluated unless otherwise specified. No past relationship is 2.5 points and a good relationship is 2.6 to 5 points and a poor relationship is 0 to 2.4 points
- 7.** Impact on the Ability of the District to Comply with Laws and Rules Relating to Historically Underutilized Businesses: (0) point weight – There are no Texas laws that apply to this procurement but since federal funds are anticipated to be utilized during the life of this contract, the proposer should agree to abide by the federal regulations in the forms contained in this SOLICITATION document related to underutilized businesses in its subcontracting practices. This factor has been considered and due to the foregoing, no points will be assigned.

NOTE: Failure to agree to comply with the federal regulations in the forms herein shall make use of federal funds to purchase the goods or services proposed unallowable.

**8.** Residency: for a contract for goods and services, *other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials*, whether the vendor or the vendor's ultimate parent company or majority owner:

(A) has its principal place of business in this state; or

(B) employs at least 500 persons in this state; and

(0) point weight- federal funds may be utilized by ESC Region 8 or TIPS member entities during the life of this contract, and residency is a prohibited criterion under federal regulation, it has been considered and assigned a weight of 0 points.

**PROPOSERS FALLING BELOW AN 80-point THRESHOLD WILL NOT BE CONSIDERED FOR AN AWARD.**

## About TIPS

It is the purpose of this SOLICITATION to establish awarded vendor agreements to satisfy the procurement needs of participating member entities in this particular commodity category. These awarded agreements will enable member entities to purchase on an "as needed" basis from competitively awarded agreements with high performance vendors. Proposers are requested to submit a proposal for offering their line of available products that are commonly purchased by government agencies, cities, counties and educational entities.

- Awards will be made to the successful proposer(s) for the products and/or services. (Unless proposer has submitted inappropriate items for the commodity category. Those items will not be awarded. Example: a software company may not propose to perform construction work)
- TIPS reserves the right to award multiple vendors for each solicitation.
- This proposal is requested for the benefit of the current list of members and other new members as they execute TIPS membership Agreements in the future. Member List: <http://www.tips-usa.com/assets/documents/docs/membership.pdf>
- TIPS reserves the right to extend the proposal deadline for any reason.
- TIPS reserves the right to make changes to this Solicitation by way of one or more posted addenda.

### Benefits of TIPS

- Provide government entities opportunities for greater efficiency and economy in acquiring goods and services through competitively procured vendor agreements.
- Provide comprehensive purchasing practices according the Laws of the State of Texas and Federal Regulation 2 CFR part 200, when appropriate, and is designed to result in competitive agreements that meet a wide variety of needs.

- Provide competitively priced purchasing options for multiple government entities that yields economic benefits usually unobtainable by the individual entity.
- Provide quick and efficient delivery of goods and services by entering into pricing agreements with “high performance” vendors.
- Equalized purchasing power for smaller entities.
- Maintain credibility and confidence in business procedures by maintaining free, full and open competition for purchases and by complying with purchasing laws and ethical business practices.
- Provide document retention for competitive procurement process for all TIPS Awarded Agreements.

### **Customer Service**

- TIPS staff is available to members for assistance in viewing/contacting awarded vendors for categories to make purchases and agreement decisions.
- TIPS provides a way for government entities to avoid the time and expense of seeking competition for purchases on an agency-by-agency basis.
- TIPS enables vendors to become more efficient and competitive by reducing the number of proposals that require responses to be made to individual entities.

### **Purchasing Procedures**

- Agreements are established through free, full and open competition as described by the laws of the State of Texas and are available for piggy-back by other government entities anywhere in the United States, subject to each entities’ jurisdictional law and regulation. Purchase orders or equivalent are issued by participating governmental entities directly to the Vendor or vendor assigned dealer. Purchase orders or equivalent are usually sent to the TIPS office where they are reviewed by the TIPS staff and forwarded to the Vendor within one working day. In some instances, the entity may send the purchase orders or equivalent directly to the vendor and report the purchase to TIPS.
- **NOTE: It is always the vendor’s responsibility under the TIPS agreement to report all sales under the agreement to TIPS.**
- Vendors deliver goods/services directly to the participating member agency and then invoice the participating member agency. The Vendor receives payment directly from the participating member agency.

### **Notice of Confidentiality of Proposed Information**

The proposal submitted and all information therein is available to TIPS members. Also, according to the Texas Public Information Act, any documents or information held by TIPS “may” be public information. In the documents for the proposer to complete is a declaration form entitled “CONFIDENTIAL INFORMATION SUBMITTED IN RESPONSE TO COMPETITIVE PROCUREMENT REQUESTS OF EDUCATION SERVICE CENTER REGION 8 AND TIPS IS GOVERNED

BY TEXAS GOVERNMENT CODE, CHAPTER 552” that must be completed by the proposer that designates specified pages as confidential or waives confidentiality of the entire proposal.

## Proposal Instructions

1. Electronically sealed proposals are the preferred and most accurate method and is highly encouraged through our online procurement software, ION Wave.
2. Proposals may be amended by the proposer on the electronic site at any time prior to the due date and time. ION wave permits you to withdraw and resubmit your proposal.
3. If an addendum is posted, you are required to login to the ION Wave bidding software and address the addendum. No addendum will be issued within five calendar days of the opening unless it is to extend the opening or address a non-substantive issue. Legal holidays not counted as calendar days are New Year’s Day, Martin Luther King Day, Easter, Memorial Day, July 4<sup>th</sup>, Labor Day, Thanksgiving, Christmas.
4. Proposals may be submitted on any or all sections, related to the category, unless stated otherwise. TIPS reserves the right to reject any or all proposals and to accept any proposal(s) deemed advantageous to the TIPS members and to waive any informality in the proposal process.
5. Deviations to any Terms, Conditions and/or Specifications shall be clearly noted in writing by the contractor and shall be included with the proposal. There are attributes that you must respond to in order to submit a proposal that address deviations.
6. Withdrawal of proposals will not be allowed for a period of 90 days following the opening unless approved by TIPS.
7. Addenda, if required, will be issued by TIPS by email to the proposer’s designated contact to all those vendors known to have reviewed the SOLICITATION documents through our electronic bidding software, ION Wave.

### **PROPOSAL FORMAT - PROPOSERS PAY CLOSE ATTENTION TO DETAILS LISTED.**

TIPS reserves the right to waive any informality and/or reject any or all proposals.

All responses should be direct, concise, complete, and unambiguous. With regard to those items that cannot be answered in the affirmative, clearly explain the precise portion to which you disagree and why you disagree. Proposers must propose pricing that is calculable based on the prices presented or discounts proposed as they relate to a published price of the goods or services. Published prices are prices that are provided by a catalog, website, shelf, price list accessible to TIPS and its members at any time during the term of an awarded agreement with the vendor or specifically proposed. Other methods of publishing prices will be considered if proposed but must be calculable.

**Felony Conviction Notice (Required in Texas) -Notification of Criminal History** “A person or business entity that enters into an agreement with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a



felony. The notice must include a general description of the conduct resulting in the conviction of a felony. A school district may terminate an agreement with a person or business entity if the district determines that the person or business entity failed to give notice as required or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the agreement.” This notice is not required of a publicly held corporation. Texas Education Code § 44.034. See FELONY CONVICTION NOTICE document on the “Attachments” tab. Felony conviction notice document must be uploaded to the “Response Attachments” FELONY CONVICTION NOTICE section.

### **References**

The proposal response should contain a minimum of Three (3) references of customers you have served that would be considered eligible for membership in TIPS (i.e. K-12 School Districts, College/Universities, and/or City/County Government Entities, Water or Fire Districts, etc.). In addition to the name of the entity, a contact name, email and phone number shall be included. The references document must be downloaded from the “Attachments” section, completed and uploaded to the “Response Attachments” REFERENCES section.

### **Resellers/Dealers**

Vendors with Resellers/Dealers must provide the Resellers/Dealers document from the “Attachments” section, complete and uploaded to the “Response Attachments” RESELLERS/DEALERS section.

### **Vendor Certifications**

Vendor certifications should include applicable D/M/WBE, HUB and manufacturer certifications for sales and service (if applicable). Certificates must be scanned and uploaded to the “Response Attachments” D/M/WBE, HUB and/or ALL OTHER CERTIFICATES section. Whether or not you are a D/M/WBE, HUB or similar business will have no bearing on the evaluation score, but provides our members the information if it is part of their entities’ policies.

There is a form that relates to all vendors that is required by Federal Regulation when federal funds are expended by a member. Vendors should complete all requested forms agreeing to comply with regulations.

### **Vendor Agreement**

Vendor Agreement must be downloaded from the “Attachments” section, completed and uploaded to the “Response Attachments” VENDOR AGREEMENT section. If proposer has deviations to the agreement language to negotiate with TIPS, there are attributes in the electronic process that address this possibility and you may insert your deviations there.

### **Agreement Signature Form**

Agreement Signature Form must be downloaded from the “Attachments” section, completed,

signed, scanned and uploaded to the “Response Attachments” AGREEMENT SIGNATURE FORM section. If proposer has deviations to the agreement language to negotiate with TIPS, the agreement signature page may be submitted unsigned until all terms and conditions are agreed.

**Warranty (If applicable)**

Warranty documentation should be scanned and uploaded to the “Response Attachments” WARRANTY section.

**Protest Procedure**

If a contractor/proposer (contractor) desires to protest a process or decision by TIPS, the contractor must follow the following process:

[http://www.tips-usa.com/assets/documents/docs/letters/Protest\\_Procedures\\_for\\_Vendor.pdf](http://www.tips-usa.com/assets/documents/docs/letters/Protest_Procedures_for_Vendor.pdf)

**Supplementary Catalogs and Information (If applicable)**

Supplementary Catalogs and Information documentation should be scanned and uploaded to the “Response Attachments” SUPPLEMENTARY section. You may provide a link to catalogs or pricing that is published for all customers to see when shopping for your goods or services.

Links to catalog pricing must be kept current during the term of the awarded agreement. It is the intent of TIPS to award a manufacturer’s complete line of products, when possible.

**LIMITATIONS OF THE SOLICITATION AND THE USE OF AWARDED AGREEMENTS BY MEMBERS**

**Depending on different entities’ and jurisdictions’ laws and regulations, members may be prohibited from participating in one or more of the TIPS agreements. TIPS has no control over those legal restrictions and does not warrant that a member entity will be able to utilize a TIPS awarded agreement.**

## Terms and Conditions

1. **Exclusivity**- Any award under this solicitation is not exclusive and TIPS reserves the right to multi award or not award. TIPS reserves the right to solicit same or similar categories again for additional awards during the life of an existing agreement with one or more awarded vendors of another solicitation, if TIPS decides it is in the best interest of our members.
2. **Confidentiality of Proposal** - If you believe part of your proposal is confidential and not subject to sunshine laws such as the Public Information Act, there is a form to complete to make such a declaration. Read it carefully.
3. **Best and Final Offer** – There will be NO best and final offer, your proposal will be your final offer for solicitation competition purposes. Vendor may lower prices at any time during agreement period. See pricing section.

4. **Non-Responsive Proposals:** All proposals will be reviewed for responsiveness to the material requirements of the solicitation. A proposal that is not materially responsive shall not be eligible for further consideration for award of the agreement. There may be required specifications for this proposal and desired and other specifications. IF YOUR PROPOSAL FAILS TO MEET ANY OF THE DESIGNATED **REQUIRED** SPECIFICATIONS, YOUR PROPOSAL SHALL BE DEEMED NON-RESPONSIVE AND WILL NOT BE EVALUATED FURTHER OR CONSIDERED FOR AWARD.
5. **Deviations and Exceptions:** Deviations or exceptions stipulated as non-negotiable in the response by the proposer may result in disqualification if they are not acceptable to TIPS.
6. **Equal Pricing** – Pricing proposed shall be provided to any TIPS member and regardless of the quantity of product or service purchased from the awarded vendor. Pricing may always be lowered by the vendor if circumstances permit to provide better value to TIPS members and for the vendor to be more competitive in that particular circumstance of sales opportunity. If prices are lowered in a specific circumstance, the same lowered pricing must be offered to all TIPS members if the quantities, timing and all other circumstances are identical.
7. **Estimated Quantities:** Because TIPS cannot accurately anticipate which members will utilize the awarded agreements due to the thousands of members and the different government entity types, TIPS makes no guarantee or commitment of any kind concerning quantities or usage of agreements resulting from this solicitation. This information, if provided, is provided solely as an aid to vendors in preparing proposals only. The successful Vendor(s) discount and pricing schedule shall apply regardless of the total cumulative volume of business under the agreement.
8. **Conditions of Agreement** - The terms and conditions of this solicitation shall control in the order that best serves the TIPS members' needs and deciding the controlling order is at the sole discretion of TIPS. The terms and conditions of this solicitation shall be incorporated by reference in a resulting agreement unless expressly agreed otherwise by the parties in writing.
9. **Name brands** – If name brands are required to be priced but other products of equal or similar type and quality may also be represented in the pricing and will be considered. TIPS want pricing either in a fixed price or a discount off published or available to TIPS Members catalog price or both if applicable to your proposal. A “catalog” is defined above and includes pricing of goods and /or services.
10. **Evaluation** – TIPS will evaluate the best value by rating the proposals submitted by the vendors. The point score received will be the weighted score which will be used to determine awarded vendors. See Evaluation criteria sheet with applicable point weights in this document. If applicable, extensions of unit prices shown will be subject to verification by the district. In case of variation between the unit price and the extension, the unit price will be considered to be the proposal.

11. **LIMITATION OF LIABILITY – Waiver:** BY SUBMITTING A PROPOSAL, OFFERER EXPRESSLY AGREES TO WAIVE ANY CLAIM IT HAS OR MAY HAVE AGAINST BOTH THE INTERLOCAL PURCHASING SYSTEM REGION 8 EDUCATION SERVICE CENTER, ITS DIRECTORS, OFFICERS, ITS TRUSTEES, OR AGENTS ARISING OUT OF OR IN CONNECTION WITH (1) THE ADMINISTRATION, EVALUATION, RECOMMENDATION OF ANY PROPOSAL; (2) ANY REQUIREMENTS UNDER THE SOLICITATION, PROPOSAL PACKAGE, OR RELATED DOCUMENTS; (3) THE REJECTION OF ANY PROPOSAL OR ANY PART OF ANY PROPOSAL; AND/OR (4) THE AWARD OF AN AGREEMENT, IF ANY. NEITHER REGION 8 ESC NOR TIPS SHALL BE RESPONSIBLE OR LIABLE FOR ANY COSTS INCURRED BY PROPOSERS OR THE SELECTED CONTRACTOR IN CONNECTION WITH RESPONDING TO THE SOLICITATION, PREPARING FOR ORAL PRESENTATIONS, PREPARING AND SUBMITTING A PROPOSAL, ENTERING OR NEGOTIATING THE TERMS OF AN AGREEMENT, OR ANY OTHER EXPENSES INCURRED BY A PROPOSER. THE PROPOSER OR SELECTED CONTRACTOR IS WHOLLY RESPONSIBLE FOR ANY SUCH COSTS AND EXPENSES AND SHALL NOT BE REIMBURSED IN ANY MANNER BY REGION 8 ESC OR TIPS.
12. **RESERVATION OF RIGHTS -** TIPS expressly reserves the right to:
- a) Reject or cancel any or all proposals;
  - b) Waive any defect, irregularity or informality in any proposal or SOLICITATION procedure provided the waiver is equally applied to all Offerors and an Offeror is not prejudiced by the waiver as compared to other Offerors;
  - c) Waive as an informality, minor deviations from specifications for goods or services at a lower price than other proposals meeting all aspects of the specifications if it is determined that total cost is lower and the overall function is not impaired;
  - d) Reissue a SOLICITATION;
  - e) Consider and accept an alternate proposal as provided herein when most advantageous to TIPS and its members;
  - f) TIPS has the right to terminate the agreement for cause or no cause for convenience with a thirty-day written notice, unless otherwise agreed in writing in an executed agreement between the parties;
  - g) This is not an exclusive award and no guaranteed volumes of purchases are guaranteed. TIPS and its members reserves the right to procure any items or services by other means at the sole discretion of TIPS or its members.

**NOTICE: This document is only one part of the complete solicitation. The ION Wave system questions and other included documents provided in ION Wave for this specific solicitation title comprise the whole and complete solicitation.**

