INPRS

INDIANA PUBLIC RETIREMENT SYSTEM

REQUEST FOR PROPOSALS ("RFP") for

AUDIT SERVICES

RFP NUMBER 14-04

RELEASE DATE: March 6, 2014
DEADLINE FOR INQUIRIES: March 14, 2014 BY 3:00 PM EDT
DEADLINE FOR SUBMISSION: March 31, 2014 BY 3:00 PM EDT

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SECTION 1 – INTRODUCTION

1.1 Title

Request for Proposals ("RFP") for Audit Services for the Indiana Public Retirement System ("INPRS" or the "System")

1.2 Overview of Request for Audit Services

INPRS is soliciting proposals from all qualified firms who wish to be considered as a vendor to provide Audit Services as described in Section 3 - Scope of Services.

1.3 INPRS Background

1.3.1 History

INPRS is an independent body corporate and politic. The system is not a department or agency of the state but is an independent instrumentality exercising essential government functions. INPRS was established by legislation to manage the retirement funds of certain public employees throughout the State of Indiana. The State of Indiana officially approved the merger of the Public Employees' Retirement Fund ("PERF") board and the Indiana State Teachers' Retirement Fund ("TRF") board into one legal entity, INPRS, in 2011.

INPRS administers seven Defined Benefit ("DB") plans. PERF, effective July 1, 1945, was initially created to provide pension benefits for Indiana residents who chose to work for the State of Indiana. Since then, the following five additional funds have been created:

- 1977 and 1985 Judges' Retirement System ("JRS");
- 1977 Police Officers' and Firefighters' Pension and Disability Fund ("1977 Fund");
- State Excise Police, Gaming Agent, Gaming Control Officer and Conservation Enforcement Officers' Retirement Plan ("C&E Plan");
- Legislators' Retirement System ("LRS");
- Prosecuting Attorneys' Retirement Fund ("PARF")

INPRS also administers TRF, created in 1921 by the Indiana General Assembly. TRF provides retirement benefits for public school teachers and other teaching professionals who work for state-funded institutions, such as colleges and universities. Due to the new Government Accounting Standards Board (GASB) pension accounting standards, beginning in FY2014, INPRS will reflect two separate reporting entities for TRF in the financial statements with one entity being the TRF Pre-1996 'pay-as-you-go plan' and the second entity being the TRF 1996 'pre-funded plan'.

These seven funds (PERF, TRF (Pre-1996 and TRF 1996), JRS, 1977 Fund, C&E Plan, LRS, and PARF) are managed separately and administered by INPRS. For additional

information regarding INPRS and the funds detailed above, please access: http://www.in.gov/inprs/.

1.3.2 Role

INPRS is responsible for receiving contributions from participating Employers and Members, investing those funds in a prudent manner, and paying benefits to qualifying Members of the seven plans. Services offered are fairly uniform across each of the seven funds, with certain exceptions based on the provisions that govern the specific plan.

Retirement benefits are based on creditable service and consist of a defined benefit pension plus an Annuity Savings Account ("ASA") for PERF and TRF only. The defined benefit pension is a lifetime monthly retirement benefit funded by Employers. The ASA is an individual account funded by a mandatory contribution from either the Member or Employer. Members may also choose to make voluntary pre- and/or post-tax contributions to the ASA.

1.3.3 Member Base

PERF's member base (which includes PERF, JRS, 1977 Fund, C&E Plan, LRS, and PARF) consists of approximately 340,000 members, including about 70,000 benefit recipients. PERF and the 1977 Fund are both multiple-employer retirement plans with a total of approximately 1,200 participating employers statewide. All other plans administered by PERF are plans sponsored by a single employer: the State of Indiana.

TRF provides benefits to more than 160,000 members, including 46,000 benefit recipients from about 370 participating employers. Defined benefit funding for members hired before July 1, 1995, is on a "pay as you go" basis, and allocations for benefits are appropriated annually by the legislature. For members hired on or after July 1, 1995, individual employers fund the benefits with actuarially determined contributions.

1.3.4 Audit Background Information

INPRS' Internal Audit Department consists of four full-time employees including the Director of Internal Audit, who reports directly to the INPRS Board of Trustees. The purpose, authority and responsibility of such department are set forth in the Internal Audit Department Charter, set forth in Appendix B of the Board Governance Manual (available at http://www.in.gov/inprs/files/BoardGovernanceManualINPRS.pdf

Historically, INPRS' annual external audits were performed by the Indiana State Board of Accounts (SBOA). The Services (as described in Section 3 – Scope of Services) being solicited in this RFP are intended to either replace or supplement the external audit services previously performed by the SBOA.

1.4 Issuer

INPRS is issuing this RFP in accordance with Indiana statutes governing the administration of INPRS and its procurement policy. The staff of INPRS has prepared the content of this RFP. One (1) copy of this RFP may be provided free of charge from INPRS or an electronic copy may be obtained from the following website: http://www.in.gov/inprs/quoting.htm. Additional copies are available at the rate of $0.10 per page.

1.5 Contacts

Inquiries from Respondents are not to be directed to any staff or member of the Board of Trustees of INPRS, except as outlined in *Section 1.6* of this RFP. Such unauthorized communication(s) may disqualify Respondent from further consideration. INPRS reserves the right to discuss any part of any response for the purpose of clarification. Respondents will be given equal access to any communications about the RFP between INPRS and other Respondents.

1.6 Inquiries about the RFP for INPRS

All inquiries and requests for information affecting this RFP must be submitted by email to the contact below no later than due dates outlined in *Section 1.16* of this RFP.

Stanton Lanman
Procurement Officer
procurements@inprs.in.gov

INPRS reserves the right to judge whether any questions should be answered in writing. Questions and responses will be posted to the INPRS website.
If it becomes necessary to revise any part of this RFP or provide additional interpretation of a provision, an addendum will be posted to the INPRS website prior to the due date for proposals. If such addendum issuance is necessary, the Procurement Officer may extend the due date and time of the proposals to accommodate such additional information requirements, if necessary.

1.7 Invitation to Submit Proposals

All proposals must be **received** at the address below **no later than March 31, 2014 at 3:00 PM EDT**. Each Respondent must submit one hard copy and three electronic copies (preferably PDF) of your response on CD. Please mark one of the electronic responses as an original. This electronic copy labeled original will be considered the official submission. The proposal must be clearly marked "Response to RFP 14-04 for Audit Services" and addressed/delivered to:

Stanton Lanman
Procurement Officer
Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204

Any proposal received after the due date will not be considered. Any late proposals will be returned to the Respondent unopened within thirty (30) days of filing upon request.

1.8 Modification or Withdrawal of Offers

Responses to this RFP may be modified or withdrawn in writing (by facsimile or mail), if modifications are received prior to the date specified for receipt of proposals. The Respondent's authorized representative may also withdraw the proposal in person, with proper identification and execution of a receipt for the proposal. Modification to or withdrawal of a proposal received after the date specified for receipt of proposals will not be considered.
INPRS may, at its option, allow all Respondents a five-calendar-day period to correct errors or omissions to their proposals. Should this necessity arise, INPRS will contact each Respondent affected. Each Respondent must submit written corrections to the proposal within five calendar days of notification. The intent of this option is to allow proposals with only minor errors or omissions to be corrected as deemed necessary by INPRS. Major errors or omissions, such as the failure to include prices, will not be considered by INPRS as a minor errors or omission and may result in disqualification of the proposal from further evaluation.

1.9 Confidential Information

Respondents are advised that materials contained in proposals are subject to the Indiana's Access to Public Records Act ("APRA"), IC 5-14-3 et seq., and, after the contract award, the entire RFP file, may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to APRA must place all confidential documents (including the requisite number of copies) in a sealed envelope clearly marked "Confidential" and must indicate in the transmittal letter and on the outside of such envelope that confidential materials are included. The Respondent must also specify the applicable statutory exception. If the Respondent does not specifically identify the statutory exception(s), INPRS will NOT consider the submission confidential. Furthermore, if INPRS does not agree that the information designated is confidential under one of the disclosure exceptions to APRA, it may either reject the proposal or consider the merits of the proposal without honoring the confidentiality requested. INPRS does not accept blanket confidentiality exceptions for the totality of the proposal. INPRS does not consider pricing to be confidential information. INPRS reserves the right to make determinations of confidentiality. Any objection to INPRS' confidentiality determination may be raised with the Indiana Public Access Counselor.

1.10 RFP Response Costs

INPRS accepts no obligation for costs incurred by Respondents in preparation of a proposal or any other costs incurred in anticipation of being awarded a contract.

1.11 Proposal Life

All proposals made in response to this RFP must remain open and in effect for a period of not less than 180 days after the due date specified above. Any proposal accepted by INPRS for the purpose of contract negotiations shall remain valid until superseded by a contract or until rejected by INPRS.

1.12 Taxes

INPRS is exempt from federal, state, and local taxes. INPRS will not be responsible for any taxes levied on the Respondent as a result of any contract resulting from this RFP.

1.13 Secretary of State Registration

Before an out-of-state corporate Respondent can do business with INPRS, the Respondent must be registered with the Indiana Secretary of State. If an out-of-state corporate Respondent does not have such registration at present, the Respondent should contact:

Secretary of State of Indiana
Corporations Division
302 West Washington Street, E018
Indianapolis, IN 46204
(317) 232-6576

for the necessary registration application form, or it can be accessed via the internet at http://www.in.gov/sos/. It is each Respondent's responsibility to register prior to the initiation of any contract discussions, but registration is not a requirement to submit a response.

1.14 Discussion Format

INPRS reserves the right to conduct discussions, either oral or written, with those Respondents determined by INPRS to be reasonably viable to being selected for award. INPRS also reserves the right to seek clarification to resolve issues as deemed necessary by INPRS.

1.15 Compliance Certification

Responses to this RFP serve as a representation that the Respondent has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana, and Respondent agrees that it will immediately notify INPRS of such actions should they arise. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees, or other statutory, regulatory, or judicially required payments to the State of Indiana. The Respondent agrees that INPRS may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that INPRS may bar the Respondent from contracting with INPRS, cancel existing contracts, withhold payments to set off such obligations, and withhold further payments or purchases until the entity is current in its liability to the State of Indiana and has submitted proof of such payment to INPRS.

1.16 Summary of Milestones

The following is the expected timeline for this solicitation:

ACTIVITY	EXPECTED DATE
Release RFP	**March 6, 2014**
Respondent's Inquiry Period Ends	**March 14, 2014**
Answers to Inquiries Provided	**March 18, 2014**
Respondent RFP Submissions Due	**March 31, 2014**
Finalist Selection (Estimated)	**Week of April 7, 2014**
Finalist Presentations (Estimated)	**Week of April 21, 2014**
Selection of Vendor(s) (Estimated)	**April 25, 2014**

SECTION 2 – PROPOSAL CONTENT REQUIREMENTS

2.1 General Instructions

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is documented in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below.
A complete proposal will include the following:

- Hard copy submission of a transmittal letter (with the information in *Section 2.2* of this RFP).
- Hard copy submission of a business proposal (with the information and attachments described in *Section 2.3* of this RFP).
- Hard copy submission of a fee proposal (with the information in *Section 2.4* of this RFP).
- Original electronic copy on CD, three additional electronic copies, and one hard copy.

2.2 Transmittal Letter

The transmittal letter must be in the form of a letter and address the following topics:

2.2.1 Identification of RFP

The transmittal letter must first identify the RFP title and number.

2.2.2 Identification of Vendor

The transmittal letter must identify the following information:

- Respondent Name
- Street Address
- City
- State
- ZIP
- Contact Name
- Phone
- Email

2.2.3 Summary of Ability and Desire to Supply the Required Services

The transmittal letter must briefly summarize the Respondent's ability to supply the requested services. The letter must also contain a statement indicating the Respondent's willingness to provide the requested services subject to the terms and conditions set forth in the RFP, including INPRS' standard contract clauses.

2.2.4 Signature of Authorized Representative

An authorized representative of the Respondent must sign the transmittal letter. Respondent personnel signing the transmittal letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section must contain proof of such authority. A copy of corporate bylaws or a

corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

2.2.5 Other Information

Any other information the Respondent may wish to briefly summarize will be acceptable.

2.3 Business Proposal

The business proposal must contain the required information and be organized under the specific section titles as listed below.

2.3.1 Executive Summary

Provide a high level description of the proposed scope of services.

2.3.2 Relevant Experience

The Respondent should include a list of at least three clients for whom the Respondent has provided services in the last five years that are the same or similar to those services requested in this RFP. Any public sector retirement plan clients are preferred. Referenced clients must be clients who have been serviced by the proposed team.

Information provided should include the name, address, and telephone number of the client facility and the name, title, email address, and phone/fax numbers of a person who may be contacted for further information and site visits may be arranged. The following table must be utilized as a template to present the aforementioned information for each reference.

REFERENCE	
Client Name	
Client Address	
Primary Contact Name	
Primary Contact Title	
Primary Contact Phone Number	
Number of Years as a Client	
Services Provided	

2.3.3 Organizational Capability

Describe the Respondent's organizational capability to provide the scope of work described in *Section 3* of this RFP. To demonstrate organizational capability,

provide the following:

- Provide a description of the company, including the following information:
  - When the company was established
  - Number of employees
  - Locations of corporate offices
- State whether your firm is independent as defined by applicable auditing standards.
- Legal entity that will be contracting to provide the services outlined in the RFP and indicate how long the Respondent has been providing proposed services to clients
- List of all lawsuits, either pending as of January 2009 or filed since that date, including subject matter and status. Disclose any disciplinary action brought against your firm or employees by state regulators, bodies, or professional organizations during the past five years.
- State whether parts of the proposed services are to be provided by a subcontractor/partner and describe the relationship with the proposed subcontractor/partner and subcontractor/partner role in providing these services
- Confirm that INPRS will contract with only one party who will be held accountable for all performance-related issues, including liability and the payment of liquidated damages for all services that become part of the final contract.

Audit Approach

Clearly describe your firm's approach to conducting the audit. Include in this description your proposed utilization of INPRS staff, methodology for accomplishing the varied audit requirements in a timely and efficient manner and any special techniques you may employ to facilitate the first year engagement. Also include proposed segmentation of the engagement, level of staff assigned to each segment, approach to determining sample sizes, approach to determining compliance with laws and regulation, and the approach to be used in gaining an understanding of the internal control structure. It is INPRS' goal to issue audited financial statements within 90 days after the fiscal year end. Therefore, indicate procedures and/or work schedules that would be used to facilitate the completion of the audit within this time frame in the first and subsequent two years.

Identify any potential audit problems, the firm’s approach to resolving these problems, and any special assistance that will be requested from INPRS.

Personnel

Identify the responsible partner(s) and appropriate partner, manager, and other supervisors who will work on the audit. Resumes for each should be included, including specific governmental experience and whether they are licensed to practice as a Certified Public Accountant in the State of Indiana.

The depth of the staff available should be included and the firm's intent regarding continuity of assigned staff during future years. Also indicate any joint venture or subcontractor participation by other audit firms and staff profiles as appropriate. State whether the proposed staff have received continuing professional education in governmental accounting and auditing during the last two years.

Registration to do Business

Respondents proposing to provide services required by this RFP are required to be registered to do business within the state with the Indiana Secretary of State. The contact information for this office may be found in *Section 1.13* of this RFP. This process must be concluded prior to contract negotiations with INPRS. It is the Respondent's responsibility to successfully complete the required registration with the Secretary of State. The respondent must indicate the status of registration, if applicable, in this section of the proposal.

Financial Statements and Quality Assurance Report

This section must include the Respondent's financial statements, including an income statement and balance sheet for each of the two most recently completed fiscal years. In addition, please provide a copy of the respondent's most recent financial statement audit report. Finally, if available, please provide a copy of the Respondent's most recent quality assurance or peer review report. If none of these options are available, please note this in the proposal.

Subcontractors

The Respondent must list any subcontractors that are proposed to be used in providing the required Services. The subcontractor's responsibilities under the Proposal, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the Proposal.

2.3.4 Contract

Appendix A of this RFP is the base contract that will be used if an award is made. Any or all portions of this document are incorporated by reference as an addendum to the final contract. The Respondent is required to clearly identify and explain any exception that it desires to take to any of the terms and conditions of this RFP in this section. Additionally, if the Respondent wishes to include or change any language in the base contract being submitted, proposed language should be included in this section in the form of an amendment to the base contract. It should be noted that *Appendix A* of this RFP includes the essential clauses that are non-negotiable.

2.3.5 Assumptions

List any assumptions made by the Respondent in developing the response to this RFP, including INPRS responsibilities.

2.4 Fee Proposal

Please provide details (including estimated hours and hourly rates) on your proposed fees for each of the Services described in Section 3- Scope of Services (i.e., audit of Financial Statements, CAFR review, GASB Statement No. 68 Schedules). Please also provide hourly rates for services which may be requested outside the scope of the audits for each of the following: Partner, Manager, Senior Accountant, and Staff Accountants. Fees must be submitted in U.S. dollars under a fixed price. The proposed fees shall include all costs for providing Services to INPRS as described and shall be guaranteed through the contract term. In no case will the final fee be higher than the fee contained in the Proposal. Payment of fees shall be in arrears.

FAILURE TO SUBMIT A DETAILED FEE PROPOSAL WILL ELIMINATE A RESPONDENT'S ORGANIZATION FROM CONSIDERATION.

SECTION 3 – SCOPE OF SERVICES

Introduction

Indiana Public Retirement System (INPRS) is seeking professional assistance in conducting the annual audits of our financial statements and maintaining and instituting compliance with the new Governmental Accounting Standards Board (GASB) Pension Standards. The Indiana State Board of Accounts (SBOA) has conducted previous audits for INPRS and could develop a proposal and oversee an implementation plan. However, INPRS desires to take advantage of the expertise in the field (especially those with experience working with public pension plans) to ensure best practices have been considered, as well as an effective and timely implementation. Therefore, INRPS is seeking assistance from leaders in this field to provide professional auditing services

The vendor awarded the Audit Services engagement will be responsible for providing the major components below:

3.1 Services Required – Financial Statements

1. Perform an annual audit of INPRS' financial statements in accordance with audit standards generally accepted in the United States of America as well as in accordance with Indiana law and GASB. Express an opinion as to whether the financial statements present fairly in all material respects, the plan net assets of INPRS as of the applicable June 30, 201X and 201X and changes in plan net assets for the years then ended in conformity with U.S. generally accepted accounting principles. The audit shall include tests of the accounting and other supporting records as deemed necessary by the independent auditor in order to express such opinion, including any required testing of the underlying census data of INPRS' members. In addition, express an opinion on the Other Supplementary Schedules included in the Comprehensive Annual Financial Report (CAFR) Financial Section and perform limited procedures on the Required Supplementary Information included in the CAFR.

2. INPRS currently consists of four multi-employer cost-sharing defined benefit pension plans, four single employer defined benefit pension plans, a defined contribution plan, two other employment benefit plans and an investment trust fund.

3. Address completed reports to the INPRS Board of Trustees.

4. Complete the audits and issue the audit reports by September 30 of each year as of INPRS' June 30 fiscal year end. The partner-in-charge of the engagement will give an annual oral presentation to the INPRS Board of Trustees on the results of the audit.

5. Keep INPRS informed of all current events affecting the public retirement industry, including an analysis of proposed accounting standards and federal tax matters.

Furthermore, INPRS will have an occasional need to consult with the independent auditor's technical specialists to solve technical and work-related issues.

6. The independent auditor and INPRS acknowledge the oversight responsibilities of the SBOA for the State and Quasi Agency audits. The selected firm will follow the minimum audit requirements as presented in the "Guidelines for the Audit of State and Local Governments by Authorized Independent Public Accountants" (available at: http://www.in.gov/sboa/3087.htm) ("Guidelines for Audit").

7. The SBOA State Examiner will be notified immediately if there is a misappropriation of funds that is suspected to be the result of malfeasance, misfeasance, or nonfeasance discovered during the audit process.

8. Along with providing findings of noncompliance required to be included for the financial and federal audits, the independent auditor will perform any required review of compliance for laws, regulations, and the "Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies" located at (http://www.in.gov/sboa/2401.htm) and as stated in the Guidelines for Audit.

9. The SBOA will be notified of the date, time, and place that the results of the audit will be discussed with INPRS. The notification will take place at least two days prior to the meeting. Within ten business days of the issuance of the audit report, the independent auditor will transmit by email an Adobe Acrobat PDF copy of the audited financial statements, supplemental audit report, and any other audit communications to the Indiana State Board of Accounts.

10. INPRS may from time to time require additional services beyond the above scope and requests a separate hourly rate schedule for these purposes. Should INPRS require such additional services, a formal statement of work will be developed and the rate schedule you propose will be used as the basis for compensation. The request for completion of this schedule, however, does not represent an intention or commitment by INPRS to grant exclusive right to the successful proposer to provide said additional services.

3.2 **Services Required – GASB Statement No. 68 Schedules**

1. Pending the release of the proposed AICPA recommendations regarding the new GASB Pension Standards, please prepare a separate bid to express opinions in accordance with AU-C 805 on: 1) any standalone schedules such as the "schedule of employer allocations", "schedule of collective pension amounts" or "schedule of pension amounts by employer", 2) conduct any needed communication and interface with the auditors of INPRS' employers, and 3) any required testing in order to place reliance on the INPRS financial statements auditor's opinion, if different, with regard to the member census data provided by INPRS' employers.

2. Perform an independent review of the actuarial assumptions, methods and procedures used by INPRS' actuary to calculate the total pension liability and employer contributions for the plan; in accordance with generally accepted actuarial principles and practices as set forth in the Actuarial Standard of Practice No. 4.

3. Address completed reports to the INPRS Board of Trustees.

4. Complete the audits and issue the audit reports by November 30 of each year as of INPRS' June 30 fiscal year end. For the fiscal year ending June 30, 2014 only, the audit reports would not be required until March 31, 2015.

SECTION 4 – CONTRACT AWARD

Based on the results of this process, the qualifying proposal(s) determined to be the most advantageous to INPRS, taking into account all of the evaluation factors, may be selected by INPRS for further action, such as contract award. If, however, INPRS decides that no proposal is sufficiently advantageous, INPRS may take whatever further action is deemed best in its sole discretion, including making no contract award. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the respondent, INPRS may begin contract preparation with the next qualified respondent or determine that it does not wish to award a contract pursuant to this RFP.

INPRS reserves the right to discuss and further clarify proposals with any or all respondent. Additionally, INPRS may reject any or all proposals received or to award, without discussions or clarifications, a contract on the basis of proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

The Executive Director or his designee(s) will, in the exercise of his/her discretion, determine which proposal(s) offer the best means of servicing the interests of INPRS. The exercise of this discretion will be final.

4.1 Length of Contract

The contract shall commence upon execution by the system and shall terminate upon the completion of services set forth in Section 3 – Scope of Services.

4.2 Minority Business Development

In support of the State of Indiana's policy to promote opportunities for minorities, women and veterans to participate in procurement and contracting opportunities as subcontractors, the System encourages applications from minority, woman, and disabled owned firms. If an applicant is certified as a Minority Owned Business (MBE), Women Owned Business (WBE), or Veteran-Owned Small Business (VOSB) a copy of the certification should be included with the proposal.

4.3 Evaluation Criteria

INPRS has selected a group of qualified personnel to act as an evaluation team. The procedure for evaluating the responses against the evaluation criteria will be as follows:

- Based on the results of the evaluation, the proposal determined to be most advantageous to INPRS, taking into account all of the evaluation factors, may be selected by INPRS for further action.
- In addition, the evaluation team will consider other factors it believes to be material for this selection.

Proposals will be evaluated based upon the ability of the Respondent to satisfy the requirements in an efficient and cost-effective manner. Specific criteria include:

- Fulfilling the requirements set forth in the RFP
- Financial Strength
- Technical knowledge, skills, and other competencies of the vendor
- Respondent qualifications
- Quality and completeness of responses to this RFP
- Quality of references
- Experience and track record
- Price (i.e., detail of fee proposal)
- Quality of finalist presentation, if selected
- Additional qualifying factors, as determined relevant by INPRS

References may be contacted. It is possible that finalists will be interviewed by persons participating in the selection process.

APPENDIX A – SAMPLE CONTRACT FOR SERVICES

The following sample contract is the base contract that will be used if an award is made. It is the expectation of INPRS that the Respondent will review the sample contract and provide desired changes to INPRS at the time of submittal of a proposal. Desired changes are unlikely to be added unless INPRS determines in its sole discretion that the performance of services under the contract is dependent upon such changes.

If Respondent wishes to amend any term or change any language in the base contract being submitted, proposed language should be included in the business proposal in the form of an amendment to the base contract. See *paragraph 2.3* of this RFP for the applicable section of the business proposal. For each proposed revision, the Respondent should indicate that the change is required by the Respondent in any contract resulting from this RFP and why it is required or indicate that the change is desired (but not required) by the Respondent in any contract resulting from this RFP.

If a required change is unacceptable to INPRS, the Respondent's proposal may be considered unacceptable. Please note the essential clauses section that follows for essential clauses that are non-negotiable.

The Respondent is required to clearly identify and explain any exception that it desires to take to any of the terms and conditions of this Solicitation in the business proposal. The evaluation of a proposal may be negatively affected by exception taken by the Respondent to any part of this Solicitation, and INPRS reserves the right, in its sole discretion, to refuse to consider any exception that is not so identified in the Respondent's proposal.

Essential Clauses in the System's Professional Services Contract

As part of the Request for Proposal (RFP) process, you are required to review the Indiana Public Retirement System's (the "System") boilerplate professional services contract and submit comments with your proposal. The following clauses are non-negotiable. If you believe that a clause will affect your risk of liability, you should adjust your bid price accordingly.

(Section 4) Access to Records
The System will not agree to any provision eliminating this requirement or requiring the System records to be retained for less than applicable law, including Indiana's public records retention schedule.

(Section 7) Audits
The System is subject to audits by the Indiana State Board of Accounts. Therefore, the System will not accept any substantive modifications to the language under this Section.

(Section 11) Compliance with Laws
The Indiana Attorney General requires this provision in all State of Indiana contracts. Contractor and its agents must abide by the ethical requirements set forth in Indiana Code, including provisions regarding the telephone solicitation of customers. As the System is subject to the jurisdiction of the State Ethics Commission and State ethics rules, the System will not agree to delete these provisions.

(Section 13) Confidentiality of System Information
Although the System is subject to Indiana's public records laws, many of the System records are confidential public records that cannot be disclosed. In addition, the Indiana Attorney General requires the Social Security disclosure clause in all State of Indiana contracts.

(Section 17) Disputes
The System will not agree in advance to any binding resolution clauses, except those of the State of Indiana courts; however, the System may agree to alternative dispute resolution options, should a dispute arise.

(Section 18) Drug-Free Workplace Certification
To ensure compliance with the Governor of Indiana's executive order on drug-free workplaces, these provisions are required in all the System contracts. The System will not accept any modifications of the language under this Section.

(Section 23) Governing Law
The contract must be governed by the laws of the State of Indiana, and suit, if any, must be brought in a state court of jurisdiction in the state of Indiana. As a quasi-governmental agency, the System is protected by the Eleventh Amendment of the United States Constitution, which guarantees that state governments hold sovereign immunity and are immune from federal lawsuits initiated by citizens of another state. The System will not agree to any provision that can be construed as waiving the System's Eleventh Amendment rights.

(Section 25) Indemnification
The System will not agree to any modification that limits Contractor's responsibility to indemnify the System as described in this Section. The Indiana Attorney General has opined that any agreement requiring the System to indemnify Contractor is a violation of the Indiana Constitution and against public policy. In addition, the System will not agree to any modification that limits the System's ability to recover damages or limits Contractor's liability as described in the contract.

(Section 33) Nondiscrimination
The Indiana Attorney General requires this provision in all State of Indiana contracts. The System will not agree to limit Contractor's liability under this provision, nor will the System agree to substitute Contractor's discrimination policy for the requirements under this Section.

(Section 32) Minority and Women's Business Enterprise Compliance
Indiana law requires this provision in all System contracts. In the event Contractor uses a subcontractor to complete services pursuant to this contract, Contractor must visit the Indiana Department of Administration's Web site, which contains a list of subcontractors registered as Minority Business Enterprises and/or Women's Business Enterprises. If a subcontractor who performs services required under the contract is listed on the Web site, Contractor must give that subcontractor the opportunity to bid. If Contractor does not use a subcontractor to complete services pursuant to this contract, Contractor will be unaffected by this provision.

(Section 50) Investigations and Complaints
As part of the System's fiduciary and due diligence obligations, this is an essential clause in the System's contracts. The System will not accept material changes to this provision.

Additional contract provisions to which the System will not agree:

- Any provision requiring the System to provide insurance or an indemnity;
- Any provision requiring the contract to be construed in accordance with the laws of any state other than Indiana;
- Any provision requiring suit to be brought in any state other than Indiana;
- Any mandatory dispute resolution other than the courts;
- Any provision requiring the System to pay taxes;
- Any provision requiring the System to pay penalties, liquidated damages, interest, or attorney fees;
- Any provision modifying the statute of limitations;
- Any provision relating to a time in which the System must make a claim;
- Any provision requiring payment in advance, except for rent; and
- Any provision limiting disclosure of information in contravention of the Indiana Access to Public Records Act

Acknowledgement

We have reviewed and agree to the System's mandatory contract provisions.

Signature: _____

Name: _____

Title: _____

Company: «Company_Name»

Date: _____

Contract for Services

This CONTRACT FOR SERVICES ("Contract") is entered into and effective as of _____, 2013 ("Effective Date"), by and between _____ (the "Contractor") and the INDIANA PUBLIC RETIREMENT SYSTEM (the "System").

WHEREAS, the System issued a **[Request for Proposal (RFP _____)/Request for Quote]** on _____, in which Contractor responded;

WHEREAS, System has determined that it is in the best interests of System, the retirement plans and funds it manages and administers and their members and beneficiaries to form an agreement with Contractor to perform services in the area of **[Contract Scope]**;

WHEREAS, Contractor is willing to provide such services;

NOW, THEREFORE, in consideration of those mutual undertakings and covenants, the parties agree as follows:

1. Duties of Contractor. The Contractor shall provide the following services set forth on Attachment A, which is incorporated herein (the "Services").

2. Consideration. The Contractor shall be paid at the rate of _____ for performing the duties set forth above, as set forth in Attachment B, which is incorporated herein. Total remuneration under this Contract shall not exceed $_____.

3. Term. This Contract shall commence on the Effective Date and shall remain in effect through __ _____. This Contract may be renewed under the same terms and conditions by mutual written agreement of the parties for up to _____(_) one-year terms. This Contract, unless otherwise terminated, modified, or renewed in writing by the parties, will automatically renew on a month-to-month basis after the termination date for a period not to exceed six (6) months.

4. Access to Records. The Contractor and its subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Contract. They shall make such materials available at their respective offices at all reasonable times during this Contract and for three (3) years from the date of final payment under this Contract, for inspection by the System or its authorized designees. Copies shall be furnished at no cost to the System if requested.

5. Assignment; Successors. The Contractor binds its successors and assignees to all the terms and conditions of this Contract. The Contractor shall not assign or subcontract the whole or any part of this Contract without the System's prior written consent. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the System, provided that Contractor gives written notice (including evidence of such assignment) to the System thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

6. Assignment of Antitrust Claims. As part of the consideration for the award of this Contract, the Contractor assigns to the System all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products or services which are the subject of this Contract.

7. Audits. The Contractor acknowledges that it may be required to submit to an audit of funds paid

through this Contract. Any such audit shall be conducted in accordance with IC §5-11-1, *et seq*., and audit guidelines specified by the System.

The System considers the Contractor to be a "vendor" for purposes of this Contract. However, if required by applicable provisions of the Office of Management and Budget Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), following the expiration of this Contract, the Contractor shall arrange for a financial and compliance audit of funds provided by the System pursuant to this Contract. Such audit is to be conducted by an independent public or certified public accountant (or as applicable, the Indiana State Board of Accounts), and performed in accordance with Indiana State Board of Accounts publication entitled "Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources," and applicable provisions of the Office of Management and Budget Circulars A-133 (Audit of States, Local Governments, and Non-Profit Organizations). The Contractor is responsible for ensuring that the audit and any management letters are completed and forwarded to the System in accordance with the terms of this Contract. Audits conducted pursuant to this paragraph must be submitted no later than nine (9) months following the close of the System an original of all financial and compliance audits. The audit shall be an audit of the actual entity, or the Contractor, except to the extent such an expanded audit may be determined by the Indiana State Board of Accounts or the System to be in the best interests of the System. The audit shall include a statement from the Auditor that the Auditor has reviewed this Contract and that the Contractor is not out of compliance with the financial aspects of this Contract.

8. Authority to Bind Contractor. The signatory for the Contractor represents that he/she has been duly authorized to execute this Contract on behalf of the Contractor and has obtained all necessary or applicable approvals to make this Contract fully binding upon the Contractor when his/her signature is affixed, and accepted by the System.

9. Background Investigations. Contractor agrees to conduct or cause to have conducted a background check of any employee of Contractor or of any vendor, service provider or subcontractor of Contractor who has been or will be given access unsupervised by Contractor or System to any office, room, or floor space of the property occupied by the System. Any such person as described in this paragraph will have passed such background check including for verification of, but not limited to:

a. Social security trace – verification of social security number;
b. Criminal history, including a criminal history check for applicable states and counties of residence for the past seven (7) years;
c. Credit check;
d. Prior employment verification;
e. E-verify check;
f. High school diploma/GED verification;
g. A Department of Revenue tax liability check, if applicable, will be initiated.

Costs associated with these background checks shall be the sole responsibility of the Contractor. The following reasons may be used by Contractor to determine that a person described in this paragraph did not satisfactorily pass the background check:

a. Discovery that the candidate provided false or inaccurate information on his or her application or resume, or during the employment interview.
b. Inability to verify previous employment.
c. Repeated unfavorable, job-related, performance references by former employers.
d. Conviction of any crime involving theft, veracity, truthfulness, conversion of property,

fraud, identity theft, or any non-motor vehicle traffic related felony.

e. A pattern of financial instability, payroll garnishments, or creditor judgments against the candidate.

The System further reserves the right to conduct a FBI criminal history report, including a fingerprint search, of any Contractor or of any vendor, service provider or subcontractor of Contractor.

10. Changes in Work. The Contractor shall not commence any additional work or change the scope of the work until authorized in writing by the System. The Contractor shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented of modified by a written document executed in the same manner as this Contract.

11. Compliance with Laws.

A. The Contractor shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the System and the Contractor to determine whether the provisions of this Contract require formal modification.

B. The Contractor and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the System as set forth in IC §4-2-6, *et seq*., IC §4-2-7, *et seq*., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the contractor is not familiar with these ethical requirements, the Contractor should refer any questions to the Indiana State Ethics Commission, or visit the Inspector General's website at http://www.in.gov/ig/. If the Contractor or its agents violate any applicable ethical standards, the System may, in its sole discretion, terminate this Contract immediately upon notice to the Contractor. In addition, the Contractor may be subject to penalties under IC § §4-2-6, 4-2-7, 35-44-1-3, and under any other applicable laws.

C. The Contractor certifies by entering into this Contract that neither it nor its principal(s) is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the System of Indiana. The Contractor agrees that any payments currently due to the System of Indiana may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until the Contractor is current in its payments and has submitted proof of such payment to the System.

D. The Contractor warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the System, and agrees that it will immediately notify the System of any such actions. During the term of such actions, the Contractor agrees that the System may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.

E. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the System or its agencies, and the System decides to delay, withhold, or deny work to the Contractor, the Contractor may request that it be allowed to continue, or receive work, without delay. Any payments that the System may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC §5-17-5.

F. The Contractor warrants that the Contractor and its subcontractors, if any, shall obtain and maintain all required permits, licenses, registrations and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the System. Failure to do so may be deemed is a material breach of this Contract and grounds for immediate termination and denial of further work with the System.

G. The Contractor hereby affirms that, if it is an entity described in IC Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.

H. As required by IC §5-22-3-7:

(1) The Contractor and any principals of the Contractor certify that:

(A) the Contractor, except for de minimis and nonsystematic violations, has not violated the terms of:

(i) IC §24-4.7 [Telephone Solicitations of Consumers];

(ii) IC §24-5-12 [Telephone Solicitations]; or

(iii) IC §24-5-14 [Regulation of Automatic Dialing Machines];

in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and

(B) the Contractor will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC§ 24-4.7 is preempted by federal law.

(2) The Contractor and any principals of the Contractor certify that an affiliate or principal of the Contractor and any agent acting on behalf of the Contractor or on behalf of an affiliate or principal of the Contractor, except for de minimis and nonsystematic violations,

(A) has not violated the terms of IC §24-4.7 in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and

(B) will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC §24-4.7 is preempted by federal law.

I. As required by IC §5-22-16.5, the Contractor certifies that the Contractor is not engaged in investment activities in Iran. Providing false certification may result in the consequences listed in IC §5-22-16.5-14 including termination of this Contract, as well as imposition of a civil penalty.

12. Condition of Payment. All services provided by the Contractor under this Contract must be performed to the System's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules, and regulations. The System shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of and federal, state, or local statute, ordinance, rule or regulation.

13. Confidentiality of System Information. The Contractor understands and agrees that data, materials, and information disclosed to the Contractor may contain confidential and protected information. The Contractor covenants that data, material and information gathered, based upon or disclosed to the Contractor for the purpose of this Contract will not be disclosed to or discussed with third parties without the prior written consent of the System.

The parties acknowledge that the services to be performed by Contractor for the System under this Contract may require or allow access to data, materials, and information containing Social Security numbers maintained by the System in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Contractor and the System agree to

comply with the provisions of IC §4-1-10 and IC §4-1-11. If any Social Security number(s) is/are disclosed by Contractor, Contractor agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

14. Continuity of Services.
A. The Contractor recognizes that the service(s) to be performed under this Contract are vital to the System and must be continued without interruption and that, upon Contract expiration, a successor, either the System or another contractor, may continue them. The Contractor agrees to:

1. Furnish phase-in training; and
2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

B. The Contractor shall, upon the System's written notice:

1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires; and
2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the System's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Contract are maintained at the required level of proficiency.

C. The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

D. The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (*i.e.,* costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations).

15. Debarment and Suspension
A. The Contractor certifies by entering into this Contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the System of Indiana. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Contractor.

B. The Contractor certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this Contract and shall be solely is solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. The Contractor shall immediately notify the System if any subcontractor becomes debarred or suspended, and shall, at the System's request, take all steps required by the System to terminate its contractual relationship with the subcontractor for work to be performed under this Contract.

16. Default by System. If the System, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, then the Contractor may cancel and terminate this Contract and institute the appropriate measures to collect all monies due up to and including the date of termination..

17. Disputes.
A. Should any disputes arise with respect to this Contract, the Contractor and the System agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the System or the Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the System for such costs.

C. The System may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the System to the Contractor of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for Contractor to terminate this Contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

18. Drug-Free Workplace Certification. As required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana, the Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Contractor will give written notice to the System within ten (10) days after receiving actual notice that the Contractor, or an employee of the Contractor in the System of Indiana, has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the System for up to three (3) years.

In addition to the provisions of the above paragraph, if the total amount set forth in this Contract is in excess of $25,000.00, the Contractor certifies and agrees that it will provide a drug-free workplace by:

A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;

B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation, and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;

C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

D. Notifying in writing the System within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;

E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate

in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and

F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

19. Employment Eligibility Verification. As required by IC §22-5-1.7, the Contractor swears or affirms under the penalties of perjury that:

A. The Contractor does not knowingly employ an unauthorized alien.

B. The Contractor shall enroll in and verify the work eligibility status of all his/her/its newly hired employees through the E-Verify program as defined in IC §22-5-1.7-3. The Contractor is not required to participate should the E-Verify program cease to exist. Additionally, the Contractor is not required to participate if the Contractor is self-employed and does not employ any employees.

C. The Contractor shall not knowingly employ or contract with an unauthorized alien. The Contractor shall not retain an employee or contract with a person that the Contractor subsequently learns is an unauthorized alien.

D. The Contractor shall require his/her/its subcontractors, who perform work under this Contract, to certify to the Contractor that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. The Contractor agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.

The System may terminate for default if the Contractor fails to cure a breach of this provision no later than thirty (30) days after being notified by the System

20. Employment Option. If the System determines that it would be in the System's best interest to hire and employee of the Contractor, the Contractor will release the selected employee from any non-competition agreements that may be in effect. This release will be at no cost to the System or the employee.

21. Force Majeure. In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.

22. Funding Cancellation. When the System's Board of Trustees makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the System's Board of Trustees that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

23. Governing Law. This Contract shall be governed, construed, and enforced in accordance with the laws of the State of Indiana, without regard to its conflict of laws rules. Suit, if any, must be brought in the State of Indiana.

24. HIPAA Compliance. If this Contract involves services, activities or products subject to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Contractor covenants that it will appropriately safeguard Protected Health Information (defined in 45 CFR 160.103), and agrees that it is subject to, and shall comply with, the provisions of 45 CFR 164 Subpart E regarding use and disclosure of Protected Health Information.

25. Indemnification. The Contractor agrees to indemnify, defend, and hold harmless the System, its agents, officers, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any, in the performance of this Contract. The System shall not provide such indemnification to the Contractor.

26. Independent Contractor; Workers' Compensation Insurance. The Contractor is performing as an independent entity under this Contract. No part of this Contract shall be construed to represent the creation of an employment, agency, partnership or joint venture agreement between the parties. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party. The Contractor shall provide all necessary unemployment and workers' compensation insurance for the Contractor's employees, and shall provide the System with a Certificate of Insurance evidencing such coverage prior to starting work under this Contract.

27. Information Technology Enterprise Architecture Requirements. If Contractor provides any information technology related products or services to the System, the Contractor shall comply with all IOT standards, policies, and guidelines, which are online at http://iot.in.gov/architecture/. The Contractor specifically agrees that all hardware, software, and services provided to or purchased by the System shall be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 794d) and IC §4-13.1-3. Any deviation from these architecture requirements must be approved in writing by IOT in advance. The System may terminate this Contract for default if Contractor fails to cure a breach of this provision within a reasonable time.

28. Insurance. The Contractor shall secure and keep in force during the term of this Contract, the following insurance coverage, covering the Contractor for any and all claims of any nature which may in any manner arise out of or result from Contractor's performance under this Contract:

A. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits of not less than $700,000 per person and $5,000,000 per occurrence unless additional coverage is required by the System. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Contract.

1. Automobile liability with minimum liability limits of $700,000 per person and $5,000,000 per occurrence. The State is to be named as an additional insured on a primary, non-contributory basis.

2. The Contractor shall provide proof of such insurance coverage by tendering to the undersigned State representative a certificate of insurance prior to the commencement of this Contract and proof of workers' compensation coverage meeting all statutory requirements of IC §22-3-2. In addition, proof of an "all states endorsement" covering claims occurring outside the System is required if any of the services provided under this Contract involve work outside of Indiana.

B. The Contractor's insurance coverage must meet the following additional requirements:

1. The insurer must have a certificate of authority issued by the Indiana Department of Insurance.

2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Contractor.

3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the System under this Contract shall not be limited by the insurance required in this Contract.

4. The insurance required in this Contract, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State agency.

C. Failure to provide insurance as required in this Contract may be deemed a material breach of contract entitling the System to immediately terminate this Contract. The Contractor shall furnish a certificate of insurance and all endorsements to the System agency before the commencement of this Contract.

29. Key Person(s).

A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this Contract for whatever reason, the System shall have the right to terminate this Contract upon thirty (30) days' prior written notice.

B. In the event that the Contractor is an individual, that individual shall be considered a key person and, as such, essential to this Contract. Substitution of another for the Contractor shall not be permitted without express written consent of the System.

Nothing in sections A and B, above shall be construed to prevent the Contractor from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. The Contractor shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

Key person(s) to this Contract is/are _____

30. Licensing Standards. The Contractor and its employees and subcontractors shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules or regulations governing services to be provided by the Contractor pursuant to this Contract. The State will not pay the Contractor for any services performed when the Contractor, its employees or subcontractors are not in compliance with such applicable standards, laws, rules or regulations. If any license, certification or accreditation expires or is revoked, or any disciplinary action is taken against an

applicable license, certification, or accreditation, the Contractor agrees to notify the System immediately and the System, at its option, may immediately terminate this Contract.

31. Merger & Modification. This Contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Contract will be valid provisions of this Contract. This Contract may not be modified, supplemented or amended, except by written agreement signed by all necessary parties.

32. Minority and Women's Business Enterprises Compliance

The Contractor agrees to comply fully with the provisions of the Contractor's MBE/WBE participation plans, if any, and agrees to comply with all Minority and Women's Business Enterprise statutory and administrative code requirements and obligations, including IC § 4-13-16.5 and 25 IAC 5. The Contractor further agrees to cooperate fully with the Minority and Women's Business Enterprise division to facilitate the promotion, monitoring, and enforcement of the policies and goals of MBE/WBE program including any and all assessments, compliance reviews, and audits that may be required.

33. Nondiscrimination. Pursuant to the Indiana Civil Rights Law, specifically including IC §22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Contractor covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee's or applicant's: race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Furthermore, Contractor certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services. Breach of this paragraph may be regarded as a material breach of this Contract, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the System and any applicant or employee of the Contractor or any subcontractor. Contractor and any subcontractors shall also comply with requisite affirmative action requirements, including reporting, pursuant to 41 CFR Chapter 60, as amended, and Section 202 of Executive Order 11246.

34. Notices to Parties. Whenever any notice, statement or other communication is required under this Contract, it shall be sent by first class mail or via an established courier/delivery service to the following addresses, unless otherwise specifically advised.

A. Notices to the System shall be sent to:
Steven R. Russo
Executive Director
Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204

With a copy to:
_____

_____

_____

_____

B. Notices to the Contractor shall be sent to:

_____

_____

_____

_____

35. Order of Precedence; Incorporation by Reference. Any inconsistency or shall be resolved by giving precedence in the following order: (1) this Contract, (2) attachments prepared by the System, (3) Solicitation Number __, (4) Contractor's response to solicitation number _____ , and (5) attachments prepared by the Contractor. All attachments, and all documents referred to in this paragraph, are hereby incorporated fully by reference.

36. Ownership of Documents and Materials. All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Contractor transfers any ownership claim to the System and all such materials will be the property of the System. Use of these materials, other than related to contract performance by the Contractor, without the prior written consent of the System, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to these materials developed for or supplied by the System and used to develop or assist in the services provided while the materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. The Contractor shall provide the System full, immediate, and unrestricted access to the work product during the term of this Contract.

37. Payments. All payment obligations shall be made in arrears, net 30 in accordance with Indiana law and the System's fiscal policies and procedures. See Attachment B, Fees, incorporated by reference.

38. Penalties/Interest/Attorney's Fees. The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC §5-17-5, IC §34-54-8, and IC §34-13-1.

39. Progress Reports. The Contractor shall submit progress reports to the System upon request. The report shall be oral, unless the System, upon receipt of the oral report, should deem it necessary to have it in written form. The progress reports shall serve the purpose of assuring the System that work is progressing in line with the schedule, and that completion can be reasonably assured on the scheduled date.

40. Public Record. The Contractor acknowledges that the System will not treat this Contract as containing confidential information.

41. Renewal Option. This Contract may be renewed under the same terms and conditions, subject to the approval of the System and Contractor. The term of the renewed contract may not be longer than the term of the original contract.

42. Severability. The invalidity of any section, subsection, clause or provision of this Contract shall not

affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

43. Substantial Performance. This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

44. Taxes. The System is exempt from most state and local taxes and many federal taxes. The System will not be responsible for any taxes levied on the Contractor as a result of this Contract.

45. Termination for Convenience. This Contract may be terminated, in whole or in part, by the System whenever, for any reason, the System determines that such termination is in its best interest. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The System will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

46. Termination for Default

A. The System may immediately terminate this Contract in whole or in part, if the Contractor fails to:
    1. Correct or cure any breach of this Contract;
    2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;
    3. Make progress so as to endanger performance of this Contract; or
    4. Perform any of the other provisions of this Contract.

B. If the System terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the System considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the System for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.

C. The System shall pay the contract price for completed supplies delivered and services accepted. The Contractor and the System shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The System may withhold from these amounts any sum the System determines to be necessary to protect the System against loss because of outstanding liens or claims of former lien holders.

D. The rights and remedies of the System in this clause are in addition to any other rights and remedies provided by law or equity or under this Contract.

47. Travel. No expenses for travel will be reimbursed unless specifically permitted under the scope of the services or consideration provision. Expenditures made by the Contractor for travel will be reimbursed at the current rate paid by the System and in accordance with the System's Travel Policies and Procedures.

48. Waiver of Rights. No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the System's review, approval or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under the Contract or of any cause of action arising out of the performance of this Contract, and the Contractor shall

be and remain liable to the System in accordance with applicable law for all damages to the System caused by the Contractor's negligent performance of any of the services furnished under this Contract.

49. Work Standards. The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the System becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the System may request in writing the replacement of any or all such individuals, and the Contractor shall grant such request.

50. Investigations and Complaints. To the extent permitted by applicable law, Contractor shall promptly advise the System in writing of any extraordinary investigation, examination, complaint, disciplinary action or other proceeding relating to or affecting Contractor's ability to perform its duties under this Contract which is commenced by any of the following: (1) any Attorney General or any regulatory agency of any state of the United States; (2) any U.S. Government department or agency; or (3) any governmental agency regulating business in any country in which Contractor is doing business. Except as otherwise required by law, the System shall maintain the confidentiality of all such information until investigating entity makes the information public.

51. Non-Collusion and Acceptance. The undersigned attests, subject to the penalties for perjury, that the undersigned is the Contractor, or that the undersigned is the properly authorized representative, agent, member or officer of the Contractor. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Contract other than that which appears upon the face hereof.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.

In Witness Whereof, Contractor and the System have, through their duly authorized representatives, entered into this Contract. The parties, having read and understand the foregoing terms of this Contract, do by their respective signatures dated below hereby agree to the terms thereof.

[Contractor]

By:_____
Printed Name:_____
Title:_____
Date:_____

INDIANA PUBLIC RETIREMENT SYSTEM

By:_____
Printed Name:_____
Title:_____
Date:_____

ATTACHMENT A

SCOPE OF SERVICES

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ATTACHMENT B

FEES

(This page of sample contract left deliberately blank.)

APPENDIX B – MANDATORY RESPONDENT FORMS

B.1 Indiana Economic Impact Statement

INDIANA ECONOMIC IMPACT - PROPOSALS AND CONTRACTS
State Form 51778 (R5 / 3-06)
DEPARTMENT OF ADMINISTRATION
Approved by State Board of Accounts, 2006

This information is required by the Indiana Department of Administration for all contractors, vendors/suppliers to the State of Indiana (complete all 22 items).

1	**Legal Name of firm:**	
2	**Address/City/State/Zip Code:**	
3	**Telephone #/Fax #/Website:**	
4	**Federal Tax Identification Number:**	
5	**State/Country of domicile/incorporation:**	
6	**Location of firm's headquarters or principal place of business:**	
7	**Name of parent company or holding company (if applicable):**	
8	**State/Country of domicile/incorporation of company listed in #7:**	
9	**Address of company listed in #7:**	
10	**IN Department of Workforce Development (DWD) account number:**	
11	**IN Department of Revenue (DOR) account number:**	
12	**Number of Indiana resident employees per most recently completed IRS Form W-2 distribution:**	
13	**Total number of employees per most recently completed IRS Form W-2 distribution:**	
14	**Total amount of payroll paid to Indiana resident employees per most recently completed IRS Form W-2 distribution:**	
15	**Total amount of payroll paid to all employees per the most recently completed IRS Form W-2 distribution:**	
16	**Total amount of this proposal, bid, or current contract:**	

ACCOUNTING OF INDIANA RESIDENT EMPLOYEES

17	**Prime Contractor Company Name:**	
18	**Number of Full Time Equivalent (FTE) employees** that are Indiana residents specifically for this proposal or contract:	

19	**Subcontractor Company Name:**				
20	Address/Contact Person/Telephone Number/Tax ID Number:				
21	**Number of Full Time Equivalent (FTE) employees** that are Indiana residents specifically for this proposal or contract:				

22	**Affirmation by authorized official:** I affirm under penalties of perjury that the foregoing representations are true to be the best of my knowledge and belief:	
	Signature:	
	Name of auththorized official:	
	Title:	
	Date:	

B.2 Taxpayer Identification Number Request

Purpose of form: We are required to file an information return with the IRS and must get your correct taxpayer identification number (TIN) to report our payments to you.

Use Form W-9 on the reverse side, if you are a U.S. person (including a U.S. resident alien), to give us your correct TIN and, when applicable to:

1. Certify the TIN you are giving is correct.
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are an exempt payee.

If you do not provide us with the information, your payments may be subject to 31% federal income tax backup withholding. Also, if you do not provide us with information, you may be subject to a $50.00 penalty imposed by the Internal Revenue Service per I.R.C. 6723.

Federal law on backup withholding preempts any state and local law remedies, such as any rights to a mechanic's lien. If you do not furnish a valid TIN, or if you are subject to backup withholding, the payer is required to withhold 31% of its payment to you. Backup withholding is not a failure to pay you. It is advance tax payment. You should report all backup withholding as a credit for taxes on your federal income tax return.

Specific Instrustions: Enter your legal name on that line. Your legal name is the one that appears on your Social Security Card or Employer Identification Number if a business. If you are a sole proprietor, then your legal name is the business owner's name. If you have a "doing business as" (d/b/a) name, enter on the trade line. Enter your remit address on the next line, and if you have a separate address for purchase orders, enter that address on the appropriate line.

Next, select the organization type for your name, check the box, and record the appropriate taxpayer identification number (TIN) in the space provided. Notice that individuals and sole proprietors are the only types with a social security number. If you are a corporation or an exempt 501(a) organization, you must answer yes or no on legal and medical services. If you are sole proprietor you must show the business owner's name in the legal box, and the business name in the trade name box You cannot use only the business name. For the TIN, you may use either the individual's SSN or the employer identification number (EIN) of the business. However, the IRS prefers that you show the SSN.

Finally, complete the certification section, sign and date the form.

If you are a foreign person, use the appropriate Form W-8.

Subsititute Form
State Form 23743 (R 07\01)
Approved by State Board of Accounts 2001
Approved by Auditor of State 2001

Taxpayer Identification Number Request

State of Indiana

W-9

DO NOT send to IRS

Print or Type	Return to address below
Legal Name (OWNER OF THE EIN OR SSN AS NAME APPEARS ON IRS OR SSN RECORDS) DO NOT ENTER THE BUSINESS NAME OF A SOLE PROPRIETORSHIP ON THIS LINE	
Trade Name Complete only if doing business as (D/B/A)	
Remit Address	
Purchase Order Address-Optional	
Check legal entity type and enter 9 digit taxpayer identification Number (TIN) below: (SSN = Social Security Number, EIN = Employer Identification Number)	SSN or EIN must be for legal name above

☐ **Individual** (Individual's SSN) ___ ___ ___-___ ___-___ ___ ___ ___

☐ Sole Proprietorship (Owner's SSN or Business EIN) SSN ___ ___ ___-___ ___-___ ___ ___ ___

EIN ___ ___-___ ___ ___ ___ ___ ___ ___

☐ Partnership ☐ General ☐ Limited (Partnership's EIN) ___ ___-___ ___ ___ ___ ___ ___ ___

☐ Estate/Trust (Legal Entity's EIN) ___ ___-___ ___ ___ ___ ___ ___ ___

Note: Show the name and number of legal trust, or estate, not personal representatives

☐ Other (Limited Liability Company, Joint Venture, Club, ect) (Legal Entity's EIN) ___ ___-___ ___ ___ ___ ___ ___ ___

☐ Corporation Do you provide legal or medical serv. ☐ Yes ☐ No (Corp's EIN) ___ ___-___ ___ ___ ___ ___ ___ ___

☐ Governement (or Government operated entity) (Entity's EIN) ___ ___-___ ___ ___ ___ ___ ___ ___

☐ Organization Exempt from Tax under Section 501(a)
Do you provide medical services? ☐ Yes ☐ No (Org's EIN) ___ ___-___ ___ ___ ___ ___ ___ ___

☐ Check here if you do not have a SSN or EIN but have applied for one.

Under Penalties of prejury, I certify that:
(1) The number listed on this form is my correct Taxpayer Identification Number (Or I am waiting for a number to be issued to me) AND
(2) I am not subject to backup withholding because: (a) I am exempt from the backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (C) the IRS has notified me that I am no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, and acquisition or abandonment of secured property, contribution to an indivual retirement arrangement (IRA), and payments other than interest and dividends.)
CERTIFICATION INSTRUCTIONS- You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

THE IRS DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

I am a U.S. person (including a U.S. resident alien)

Name (Print or Type) _____ Title _____
AUTHORIZED SIGNATURE _____ Date _____
Phone _____

Agency _____ Agency use only ☐ Yes ☐ No Approved by _____
1099

REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION

B.3 Application for Certificate of Authority of a Foreign Corporation

APPLICATION FOR CERTIFICATE OF AUTHORITY OF A FOREIGN CORPORATION

State Form 38784 (R9/ 12-02) Corporate Form 112
Approved By State Board Of Accounts, 1995

TODD ROKITA
SECRETARY OF STATE
CORPORATIONS DIVISION
302 W. Washington St., **Rm. E018**
Indianapolis, IN 46204
Telephone: (317) 232-6576

Indiana Code 23-1-49-1 *et seq.*
23-1-49-3

Filing Fee: $90.00

NOTES:

1. *An Original Certificate of Existence duly authenticated by the proper authority from corporation's domicilary state within the last sixty (60) days must be submitted with this application.*
2. *A Registered Agent with an Indiana street address (not a PO BOX) must be listed in ARTICLE III.*

INSTRUCTIONS:

- Use 8 1/2" x 11" white paper for attachments.
- Present original and one copy to address in the upper right corner of this form.
- Please TYPE or PRINT.
- Please visit our office on the web at www.sos.in.gov.

APPLICATION FOR CERTIFICATE OF AUTHORITY
OF

_____

A FOREIGN CORPORATION
TO TRANSACT BUSINESS IN THE STATE OF INDIANA

The undersigned officer of the above corporation which was formed as:

☐ A general business corporation ☐ A professional corporation

desiring to effectuate the admittance of the Corporation to transact business in the State of Indiana, certifies the following facts:

ARTICLE I: Name		
Name of Corporation (*Must be identical to name shown in Articles of Incorporation and Amendments thereto*)		
ARTICLE II: Address of Corporation		
Address of the principal office of corporation *(Number and street, city, state and ZIP code)*		
ARTICLE III: Registered Office and Registered Agent		
Name of the Registered Agent of the corporation *(cannot be the corporation itself)*		
Indiana address of the registered office of corporation (*Number and street, city;* ***P.O. Box not accepted***)	**INDIANA**	ZIP code
ARTICLE IV: Date and State of Incorporation and Duration of Existence		
Date of incorporation in domicilary state:	State of incorporation	
Expected period of duration listed in the Articles of Incorporation *(perpetual, term of years or date certain e.g. December 31, 2050)*		

ARTICLE V: Corporate Officers

The names and business addresses of the officers of the Corporation:

Name	**Title**	**Address** (*Number, street, city, state and ZIP code*)