



STATE OF VERMONT
OFFICE OF THE STATE TREASURER

109 State Street, 4th Floor
MONTPELIER, VERMONT 05609-6200
802-828-2301
www.vermonttreasurer.gov

REQUEST FOR PROPOSAL TO PREQUALIFY OUT-OF-STATE UNCLAIMED PROPERTY EXAMINATION SERVICES

DATE: February 27, 2008

QUESTIONS DUE BY: March 5, 2008

DATE OF BID OPENING: March 19, 2008

TIME OF BID OPENING: 2:00 P.M.

LOCATION OF BID OPENING: 109 State Street, Montpelier, VT, 4th Floor

CONTACT: Donna Holden
TELEPHONE: (802) 828-3708
E-MAIL: Donna.Holden@state.vt.us
FAX: (802) 828-2772



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SEALED BID INSTRUCTIONS

All bids must be sealed and must be addressed to the Office of the State Treasurer, 109 State Street, 4th Floor, Montpelier, VT 05609-6200. **BID ENVELOPES MUST BE CLEARLY MARKED 'SEALED BID' AND SHOW THE PROPOSAL TITLE, OPENING DATE, AND NAME OF BIDDER.**

All bidders are hereby notified that sealed bids must be in the Office of the State Treasurer by the time of the bid opening. Bidders are cautioned that it is their responsibility to originate the sending of bids in sufficient time to ensure receipt by the Office of the State Treasurer prior to the time of the bid opening. Hand-carried bids shall be delivered to a representative of the Office of the State Treasurer prior to the bid opening. Bids not in possession of the Office of the State Treasurer at the time of the bid opening will not be considered.

The Office of the State Treasurer may, for cause, change the date and/or time of the bid opening. If a change is made, the Office of the State Treasurer will make a reasonable effort to inform all bidders.

All bids will be publicly opened. Any interested party may attend the bid opening. Bid results may be requested in writing and are available once an award has been made.

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1 OVERVIEW

The following subsections provide general information about the RFP.

1.1 Executive Summary

The Vermont Office of the State Treasurer is seeking proposals to pre-qualify firms or individuals to supply out-of-state unclaimed property examination services. The selected bidder(s) shall provide unclaimed property identification, examination, processing, collection, reporting, and delivery services through examinations of businesses/entities (i.e., holders). The examinations shall be in accordance with State statute 27 V.S.A. Chapter 14 (“State of Vermont’s Unclaimed Property Laws”) and under the direction of the Unclaimed Property Division of the Office of the State Treasurer.

The purpose of this RFP is to prequalify qualified vendors to be included on an approved list to provide these services on an as needed basis. Vendors may be prequalified to provide review services focusing on a wide range of holders required to remit property under the unclaimed property statutes or to provide services in specific industries, as needed.

Proposal specifications are set forth in Section 2, “Scope of Services.”

Proposals in response to this RFP are due no later than 2:00 P.M. Eastern Time (ET) on Wednesday, March 19, 2008.

1.2 Background

The State of Vermont Treasurer administers the Unclaimed Property Program in accordance with 27 V.S.A. Chapter 14 (“State of Vermont’s Unclaimed Property Laws”). The Program provides that businesses and other entities report and remit unclaimed property to the State. Within the context of this law, unclaimed property may consist of property such as cash, outstanding checks, dormant checking/saving accounts, safe deposit box contents, stocks, bonds, mutual funds and other general ledger or outstanding liabilities due or owing a person, business or entity as defined in the unclaimed property law. The Treasurer serves as the custodian of these properties until they are returned to the rightful owner. Currently, the Vermont Unclaimed Property database of approximately 212,000 owner records represents over \$41.5 million in assets.

In an effort to implement all components of the Unclaimed Property Law, and to heighten awareness and ensure legal compliance, the Treasurer utilizes authorized measures of informing, educating, and instructing all businesses of their legal responsibilities in filing and remitting reportable unclaimed property. These include notifications to businesses, educational seminars, holder technical assistance, and in-state and out-of-state examinations. The intent of this RFP is to secure out-of-state unclaimed property examination services.

Additional information about the Unclaimed Property Program is available on the Treasurer’s Web site www.vermonttreasurer.gov.

1.3 Minimum Bidder Qualifications

The bidder must meet all of the following minimum qualifications to be given further consideration. Failure to satisfy each of the minimum qualifications will result in the immediate rejection of the proposal.

- The firm, its principals or the lead staff to be assigned in the event of award must have at least three (3) years of experience in one of the following: a) unclaimed property examination services, b) accounting, business law and/or auditing, or c) similar professional experience which demonstrates the ability to provide the services outlined in the Scope of Services of this RFP.
- The firm or individual submitting a response to this RFP must have all authorizations, permits, licenses, and certifications as may be required under federal, state, or local law to perform the services specified in this RFP.

1.4 Single Point of Contact

The sole point of contact for questions and all other contractual matters relating to this RFP is:

Name: Donna Holden
Title: Contracts Administrator
Vermont State Treasurer's Office
109 State Street, 4th Floor
Montpelier, Vermont 05609-6200
Telephone: 802-828-3708
FAX: 802-828-2772
E-Mail: Donna.Holden@state.vt.us

All e-mail communication with Ms. Holden must include the words "Out-of-State UP Examination Services RFP" in the subject line.

Attempts by bidders to contact any other party may result in the rejection of their proposal.

1.5 Bidder Questions

Questions must be submitted in writing until the date and time specified in Section 1, *RFP Timetable*.

E-mail is the preferred method of communicating questions. All e-mail communications with Ms. Holden must include the words "Out-of-State UP Examination Services RFP" in the subject line.

Response to questions will be posted to our Web site at www.vermonttreasurer.gov. All questions submitted must include the name of the firm and the person submitting the questions.

1.6 RFP Timetable

RELEASE DATE OF THE RFP:	February 27, 2008
QUESTIONS DUE BY:	March 5, 2008
ANSWERS TO QUESTIONS POSTED ON www.vermonttreasurer.gov	March 7, 2008

ALL PROPOSALS MUST BE RECEIVED NO
LATER THAN 2:00 P.M. Eastern Daylight Savings Time ON:

March 19, 2008

1.7 Attachments to RFP

The following information has been attachments to the RFP:

- **Attachment A** – Standard Contract Provisions

2 SCOPE OF SERVICES

The state has and continues to maintain contracts with various vendors to provide in-state and out-of-state unclaimed property examination services. The purpose of this RFP is to prequalify qualified vendors to be included on an approved list to provide out-of-state services on an as needed basis. Vendors may be prequalified to provide review services focusing on a wide range of holders required to remit property under the unclaimed property statutes or to provide services in specific industries, as needed.

The selected bidder shall provide unclaimed property identification, examination, processing, collection, reporting and delivery services through examinations of businesses/entities (i.e., holders). The examinations shall be in accordance with state statute 27 V.S.A. Chapter 14 (“State of Vermont’s Unclaimed Property Laws”) and under the direction of the Unclaimed Property Division of the Office of the State Treasurer. Services may consist of on-site examination of general ledger records and related records or off-site processing of unclaimed property records that are voluntarily provided by the holders. A determination of the appropriate method will be made jointly with Treasury personnel. As the purpose of the services is to identify non-compliant firms and bring them into compliance, the selected bidder shall not conduct examinations, nor process records, at the State’s expense, for any holder more than one time, unless requested by the Treasurer.

The selected bidder shall conduct such examinations of firms identified by the State Treasurer’s Office or by the selected bidder, upon approval of the State Treasurer’s Office. Upon examination and identification of unclaimed property, the selected bidder shall then coordinate the delivery of related property to the State Treasurer’s Office, or to a custodian of the State as directed, in compliance with state statute. The services contemplated may be undertaken concurrently with several other states having similar requirements in connection with their respective unclaimed property laws. The examinations by selected bidder may include all property subject to unclaimed funds reporting under the State of Vermont’s Unclaimed Property Laws and may involve the parent companies and their subsidiaries, divisions, and affiliates.

The selected bidder will perform this work at the direction of the Unclaimed Property Director at the Office of the State Treasurer.

Specific tasks to be included within the scope of services include the following:

Examination, Identification, and Collection of Unclaimed Property

It is expected that upon identification of a holder and receipt of permission to conduct an audit by the Office of the State Treasurer, the selected bidder shall enter into a written agreement with the holder (“Engagement Letter”), or otherwise notify the holder in accordance with approved procedures, to conduct the examination and report the property to the Treasurer. The Engagement/Notification Letter should identify the type of property to be examined, the scope of the procedures, the period to be examined, and the estimated completion date of the examination, which should be within one year.

In conjunction with the examination, identification, and collection of unclaimed property, the selected bidder shall:

- (a) Review and analyze records of unclaimed property obtained from holders and/or their agents;
- (b) Prepare reports and make a determination of unclaimed property in accordance with the requirements of the State of Vermont’s Unclaimed Property laws;

- (c) Demand from holders and/or their agents delivery to the State of the property deemed owing under the State's unclaimed property laws; and
- (d) Deliver the unclaimed property to the State or its designee.

The selected bidder shall commence examinations ninety (90) days from the date a holder is notified of the state's/selected bidder's intent to identify and collect unclaimed property. The examination of the books and records of unclaimed property and the demand for delivery of reportable property shall be made pursuant to the laws of Vermont and shall adhere to the Uniform Unclaimed Property Act. All findings in connection with the examination of holders and the demands for payment of the unclaimed property unclaimed property shall be made pursuant to the laws of Vermont.

The selected bidder may disclose information it acquires through the verification process to other states, which have entered into a similar agreement with the selected bidder, pursuant to a plan whereby the State similarly benefits from such reciprocal discoveries. The State Treasurer's office and the selected bidder will jointly establish procedures for the sharing of such information. These procedures will be incorporated in any contract awarded as a result of this RFP.

Delivery

The selected bidder shall deliver or direct holders or transfer agents to deliver all cash, safe deposit box contents, securities, and related owner information to the State. Delivery of property to the State shall occur within thirty (30) calendar days once the property is identified and collected.

Certificates for securities must be registered in the name of the State. Those certificates that cannot be transferred must still be remitted to State of Vermont in the nominee or original owner's name.

The original date that certificates are registered in the name of the State or credited in book entry form must be retained, and must become a part of all reports relating to such certificates.

Selected bidder may demand delivery of property by holder to the State. Selected bidder and the holder shall reconcile and agree upon the report to be filed with the State prior to delivery of the property demanded.

While in the possession of the selected bidder, the unclaimed property assets will be deposited in an interest bearing account or fund approved in advance by the State Treasurer. All interest earnings shall be remitted to the state.

Report Forms

Upon delivery, selected bidder shall provide written reports to the State that shall, to the extent available, incorporate or otherwise be accompanied by the following information:

- (a) Name and address of holder
- (b) Federal employer identification number of holder
- (c) Name and address of owner
- (d) Social security number or federal tax identification number of holder
- (e) Holder account number
- (f) Class of security
- (g) CUSIP number

- (h) Description of property
- (i) Date of last account activity
- (j) Interest/dividends due
- (k) Market value at receipt by the selected bidder, as applicable
- (l) Total cash received
- (m) A calculation of fees

The selected bidder shall, contemporaneously with the delivery of property to the State submit to the Unclaimed property Division verifiable documentation supporting the interest earned on the property from the date the property is received by the selected bidder or, if the property is securities, the valuation of the securities on the date the securities are received by selected bidder.

The selected bidder shall provide the State with a monthly status report that sets forth the status of the examination commenced pursuant to the Agreement.

Selected bidder shall be the custodian of the records for the work performed under this Agreement.

Selected bidder shall maintain these records for five (5) years after the end of the performance of the Agreement. State shall have access to all records related to the performance of the Agreement upon request.

Enforcement

The Selected bidder shall inform holders regarding the provisions of the Vermont State Statutes for notifying owners of their unclaimed property. Upon conclusion of the services provided herein, the selected bidder shall advise the holder of their continuing obligation to report unclaimed property directly to the State.

If a holder refuses to subject itself to an examination or to cooperate in an ongoing examination by selected bidder, or fails or refuses to report and deliver unclaimed property, the selected bidder shall advise the State of the holder's refusal within seven (7) days of such occurrence.

The selected bidder shall notify the State if a holder files for bankruptcy before or during an approved examination within seven (7) days of discovery by selected bidder of the bankruptcy filing. In such case, selected bidder will prepare a proof of claim or provide such information to enable the State to file a proof of claim within fourteen (14) days of discovery by selected bidder of the bankruptcy. Selected bidder will not file said proof of claim on behalf of the State without the express written approval of the State.

The selected bidder cannot initiate legal action against or enter into an agreement with a holder on behalf of the State without the prior written consent of the State.

The selected bidder may inform a holder of Vermont law regarding penalties and interests. Selected bidder may not impose, or threaten to impose, penalties and/or interest.

Any document, such as an engagement letter, signed between the selected firms and Vermont holders of unclaimed property shall state that entering into the agreement in no way diminishes rights the State of Vermont holds to examination the books of such entity to determine compliance with the law.

The selected bidder is expected to cooperate with the Treasurer and Attorney General's Office in any enforcement action.

3 PROCUREMENT AND CONTRACTUAL ADMINISTRATION

The following subsections discuss the administrative and contractual requirements that pertain to this procurement.

3.1 Bidding and Contractual Requirements

The State of Vermont reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal. Bidders may be asked to give a verbal presentation. Failure of bidder to respond to a request for additional information or clarification could result in rejection of that bidder's proposal. The State reserves the right to accept or reject any and all bids, in whole or in part, with or without cause. The State reserves the right to make an award without further discussion of the proposal submitted. The State does not guarantee that an award will be made as a result of this RFP.

3.1.1 Incurred Expenses

The cost of developing and submitting the proposal is entirely the responsibility of the bidder. This includes costs to determine the nature of this engagement, preparation of the proposal, submitting the proposal, negotiating for the contract, and other costs associated with this RFP.

3.1.2 Public Records and Bidder Proprietary Information

All responses will become the property of the State of Vermont and may be a matter of public record. Any page with proprietary information must be marked by bidders as such, pursuant to 1 V.S.A. Chapter 5, §317(c)(9). Further, bidders must provide within their responses a justification for each marked page.

3.1.3 Pricing

The bidder must be aware that the State wants the most effective combination of price, performance, and quality possible within the constraints of their budget. Pricing must include all expenses. There may be no best and final offer procedure. Therefore, the proposal shall be submitted on the most favorable terms that the bidder can provide.

3.1.4 Subcontracting

The State of Vermont will only enter into contracts with the primary contractor, and the State must approve any subcontractor contract in writing (See ATTACHMENT A, sub-Attachment C #13). The selected bidder must assume responsibility for subcontractor performance and payment. Subcontractors must abide by all conditions set forth in the contract with the primary contractor. The successful bidder will be expected to execute sub agreements for each subcontractor named in the proposal upon award of this contract. The bidder must provide a brief description in the cost proposal in regard to the basis for selecting each subcontractor (low bid, competitive negotiation, technical capabilities, etc.). The bidder must provide subcontractor cost estimates in the bidder's cost proposal.

3.1.5 Doing Business in Vermont

The bidder awarded this contract shall, upon notification of award, apply for registration with the Vermont Secretary of State's Office to do business in the State of Vermont, if not already so registered. The registration form may be obtained from the Vermont Secretary of State, Redstone Building, 26 Terrace Street, Drawer 09, Montpelier, VT 05609-1101. The telephone number is (802) 828-2386. The Treasurer's Office will not execute the contract until the bidder is registered with the Secretary of State's Office. Bidders are responsible for complying with all statutory provisions applicable to doing business in the State of Vermont (see above and Attachment A), attached to this RFP

3.1.6 Minority Business Enterprises

The State of Vermont recognizes the important contribution and vital impact that small businesses have on the state's economy. In this regard, the state subscribes to a free and open bidding process that affords all businesses equal access and opportunity to compete for state contracts for goods and services. The state also recognizes the existence of businesses owned by minorities and women and has directed all state agencies and departments to make a good faith effort to encourage these firms to compete for state contracts.

3.1.7 Duration of Proposal Offer

Proposals submitted in response to this RFP are irrevocable for 120 days following the closing date of proposals. This period may be extended at the request of the State, and with the bidders' written approval.

3.1.8 Revisions to the Solicitation

The State reserves the right to modify requirements should a bidder inquiry identify a change that is in the best interest of State. Such modifications (or amendments) to the RFP will be posted to the Treasurer's Web site at www.vermonttreasurer.gov and will not be distributed through any other means. It is the bidder's responsibility to check the Web site for such changes.

3.1.9 General Conditions

The general conditions and specifications of the RFP, the successful bidder's response/proposal, all questions and answers, and all RFP amendments (if any) will become part of the contract by reference.

The bidder is expected to respond with due diligence by providing the requested information in the designated manner. Bidders failing to respond to this RFP as prescribed will place themselves at a comparative disadvantage or will be subject to disqualification at the discretion of the State.

3.1.10 Contract Duration

The successful bidder to this RFP can expect a contract with the State (see sample contract Attachment A), for a term of two years with the option of two one-year extensions.

The successful bidder will be required to execute the State's standard contract after the specific details of the transaction have been inserted. Any objections or requested changes to the standard form language must be provided with the bid, or they shall be waived by the bidder. Any additional contract language sought by the bidder must be provided with the bid, or such language requests shall be waived by the bidder. Any bidder seeking changes to the State standard form contract, or to add additional language to the contract, must state whether the request is a requirement of their bid, or simply a request for the State's consideration. In the event the State determines that an otherwise apparent winning bidder's requirements are unacceptable, it may handle the bid in the manner it deems most appropriate, including but not limited to rejecting the bid as not complying with this RFP. Bidders should be aware that the State of Vermont rarely accepts amendments to its standard form contract.

4 PROPOSAL PREPARATION

This section sets forth the format that must be followed by bidders in developing their proposals in response to this RFP. The instructions provided and format requested for bidder proposals are designed to ensure a clear and complete understanding and comprehensive evaluation of each proposal. There is no intent to limit the content of the proposals or to inhibit a presentation in other than the bidder's favor.

4.1 Proposal Acceptance

The bidder is encouraged to include additional information or data as may be appropriate or to offer alternate solutions. However, the bidder should not exclude from its proposal any portion requested in this document. Proposals that vary materially from this prescribed format may be judged non-compliant and withdrawn from consideration. The bidder should also list any potential conflicts of interest including an explanation.

The bidder must understand that the State will view the degree of compliance with this section as an indication of the degree of cooperation to be expected from the bidder in working with the State after contract award.

4.1.1 Proposal Packaging and Required Copies

Cost Proposals must be packaged separately from Technical Proposals and sealed in a separate envelope, so labeled.

Bidders must submit six (6) bound copies of their technical proposal and cost proposal, each packaged separately. Any page with proprietary information must be marked by bidders as such, pursuant to 1 V.S.A. Chapter 5, §317(c)(9). Further, bidders must provide within their responses a justification for each marked page.

The information in the table provided below must appear on the title page of each copy of each proposal, and on the outside of the packages in which they are shipped (if proposals are shipped by overnight courier, the title sheet may be affixed to the package inside the courier's packaging material):

Contents of Response Cover Page

RFP title:	OUT-OF-STATE UNCLAIMED PROPERTY EXAMINATION SERVICES
RFP section:	Technical or Cost
<i>Closing date and time for submission of proposals: March 19, 2008, 2:00 pm.</i>	
Name, address, e-mail, and (voice) telephone number of firm submitting proposal	

Proposals must be addressed for this RFP to the point of contact identified in Section 1, *Single Point of Contact*.

Bidders are to organize their proposals into five parts with a cover letter and other administrative information as follows:

Part I – Administrative	Cover page Cover Letter as described below Tax Certificate Table of Contents
Part II	Bidder Information

Part III	Technical Approach
Part IV	Bidder References
Part V (to be packaged separately)	Cost

4.2 Part I – Administrative

4.2.1 Cover Letter

The response should contain a cover letter and introduction, including: the company name and address, and the name, e-mail address, and telephone number of the person or persons authorized to represent the respondent regarding all matters related to the response. The cover letter must contain the following statement:

“We have read the State’s Request for Proposals (RFP) for Prequalifying Out-of-State UP Examination Services and fully understand its intent. We certify that we have adequate personnel, equipment, and facilities to provide the State’s requested services that we have indicated we can meet. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Office of the State Treasurer.”

A person authorized to bind the firm to all commitments made in its response shall sign this letter. In addition, the cover letter must certify that:

- The response is genuine, and is not collusive or a sham.
- The response is not made in the interest of or on the behalf of any person not named therein.
- The bidder has not directly or indirectly induced or solicited any person to submit a false or sham response or to refrain from submitting a proposal.
- The bidder has not in any manner sought by collusion to secure an advantage over any other respondent.
- The bidder has thoroughly examined the RFP requirements, and the proposed fees cover all the services that the State has requested.
- The bidder acknowledges and accepts all terms and conditions included in the RFP.
- The bidder agrees to provide services in a manner acceptable to the State, and as stipulated in the RFP and subsequent contract.
- The bidder and key professionals do not have or anticipate a potential conflict of interest with the Office of the State Treasurer or the Boards of Trustees of the three retirement systems.
- The bidder and key professionals do not accept fees and derive no benefit from relationships with any persons involved in the RFP.
- The bidder has completed and submitted, with the RFP response, the Vermont Tax Certificate (provided) required by this RFP.

4.2.2 Tax Certificate

This certificate appears on page 3 of this RFP and must be completed and submitted with the response to the RFP.

4.3 Bidder’s Proposal Part II – Bidder Information

In this section, the bidder shall provide basic information about its firm and staff, including the following:

- a. Please provide a description of the ownership and structure of the firm, which includes the parent company and any affiliated companies and/or joint ventures.
- b. Are any near-term changes to the firm’s corporate or organizational structure anticipated? If yes, please specify.
- c. Please list all office locations and the number of individuals working in each office. Please specify which office would be the primary relationship office.
- d. Please provide the most recently completed SAS 70 or external Quality Control Review, if applicable. Please provide or describe the results of your most recent peer review.
- e. Please provide the most recently completed audited financial statements for your firm.
- f. Provide information on all “related” or “affiliated” firms that will provide services described in this RFP.
- g. Provide any restrictions, regulatory action, consent orders, past or pending litigation relating to your firm, principals, or individual personnel within the past three years.
- h. Please complete the following chart:

Staff Category (enter full time equivalents):	Firm Total	Exam Function
Accounting	_____	_____
Research	_____	_____
Information Systems	_____	_____
Auditing	_____	_____
Legal	_____	_____
Marketing/Sales	_____	_____
Administration/Office Management	_____	_____
Other _____	_____	_____
Total	_____	_____

4.4 Bidder’s Proposal PART III – Technical Approach

This part of the bidder’s proposal shall address the following:

- **Section 1 – Summary/Overview.** This should include a statement in the bidder’s own words of the overall nature of the services requested in this RFP and a narrative of how it will provide the requested services identified in the RFP. The narrative should address the services outlined in the “Scope of Services” and should be prepared simply and economically, providing a straightforward and concise description of the bidder’s philosophy, services, and qualifications.
- **Section 2 – Questions.** Please provide a full but concise response to the following questions.
 - a. Please provide a full biography/résumé – for each consultant who will be assigned to the Vermont account(s). Include biographies/ résumés of other key personnel who may be involved in routine services or special projects for the system(s).

- b. Please provide an explanation of how your firm will assure compliance with various statutes, rules, regulations, and administrative bulletins relative to unclaimed property in Vermont.
 - c. Explain your process for negotiating with holders to review their records.
 - d. Explain your action and process if a holder denies record access, is unwilling to allow the completion of the examination, refuses to enter into an Engagement Letter, or breaches the Engagement Letter?
 - e. Do you have an examination manual detailing the procedures to be used in the examination process? If so, provide a basic description of the manual. The selected bidder will be expected to provide a copy of any such manuals to the Office of the State Treasurer if awarded a contract pursuant to this RFP.
 - f. Briefly explain your technical capability to process and identify holder records which have met the statutory requirements of unclaimed property, and to expedite delivery to the State Treasurer.
 - g. Describe your process for determining the value of securities traded on an exchange or in the over-the-counter market.
 - h. Describe your procedures for ensuring that all applicable due diligence requirements as mandated under the Vermont Unclaimed Property statutes are met. Will you provide written confirmation that due diligence has been performed?
 - i. Upon completion of the initial exam of holder's records, do you agree to instruct holders, or their agents, to file all future reports directly with the Treasurer's Office, pursuant to the State's reporting requirements?
 - j. Provide details of your insurance coverage and risk mitigation efforts, errors and omissions coverage, and any other fiduciary insurance relevant to the scope of this RFP.
 - k. Describe factors or reasons we should consider your firm more favorably than your competitors.
- **Section 3** – Proposed Value-Added Options – The State will consider any option proposed by the bidder as a value-added option that will substantially reduce costs and improve efficiency of operations. This Section is optional (but desirable) in the bidder's proposal.
 - **Section 4** – Assumptions and Exceptions – Identification of all assumptions that the bidder made in preparing its proposal as well as any exceptions that the bidder takes with regard to the requirements expressed in the RFP. This section must contain a list of **all** assumptions and exceptions, with a cross-reference to the specific section of the RFP to which the assumption or exception applies.

4.5 Bidder's Proposal Part IV – Bidder References

The bidder shall provide a minimum of three (3) references. For each reference, the bidder must include the name, address, e-mail address, and telephone numbers of individuals qualified to provide information from both the management and technical viewpoints. For each reference, the bidder must specify:

- The length of time during which services were performed;
- A description of the specific services provided.

4.6 Bidder’s Proposal Part V – Cost

The selected bidder shall invoice the State upon delivery of the unclaimed property. The selected bidder shall be paid a fixed percentage of the value of the “net unclaimed property” paid or delivered to the Treasurer.

The value of the net unclaimed property shall mean the cash value of the property. If securities, then (1) if traded on an exchange, the closing price of the security within five business days of the date the property is received by the Treasurer or registered to the Treasurer; or (2) if traded over-the-counter, the bid price within five business days of the date the security is received by the Treasurer or registered to the Treasurer; or (3) if unlisted, the value determined by a generally accepted and mutually agreeable and verifiable valuation method applicable to such property.

The value of the net unclaimed property is further defined as the gross value of all unclaimed property received from a holder by the selected bidder reduced by the value of all unclaimed property delivered by the holder, if any, which otherwise would have been delivered pursuant to the reporting practices of the holder prior to execution of the contract. While the state expects delivery directly to its office or a designated custodian, any interest earned on any property delivered to the selected bidder prior to delivery to the state shall be remitted to the State and shall not be included in the value of net unclaimed property.

The Firm shall not charge the Treasurer any fee for filing a holder report, remitting property, or reporting property in which the firm receives a fee from the holder for reviewing or computing the unclaimed property liability, or similar services.

Cost Proposals must be packaged separately from Technical Proposals and sealed in a separate envelope, so labeled. The bidder has the option of stating fees on the basis of the value of net unclaimed property per holder, irrespective of type of examination, and/or to propose fees based on the type of examination performed. The State Treasurer's Office reserves the right to negotiate fees and methodologies that are in the best interest of the State. The following format(s) should be used.

Type of Examination	Fixed Percentage (life of contract)
On-site examination of a holder’s general ledger and related records and securities related property	
Review off-site processing of unclaimed property records that are voluntarily provided by the holders	
Other type of exam (specify)	

and/or:

Value of Property Per Holder	Fixed Percentage (life of contract)
\$1 - \$50,000.00	
\$50,001 to \$100,000	
\$100,001 to \$200,000	
Over \$200,000	

Please identify the proposed vehicle(s) for the deposit of unclaimed property assets pending delivery to the State. Please provide the average rate of return on these vehicles over the last six month and annual periods.

In addition to the above, the State will consider optional cost proposals submitted by the bidder if they are deemed by the Treasurer’s Office as in the best interest of the State.

5.1 Bidder Evaluation

The Office of the State Treasurer will conduct a fair and impartial evaluation of the proposals received in response to this RFP. The Office of the State Treasurer may, at its option, select more than one bidder to provide the requested services.

Fees and compensation will be an important factor in the evaluation of responses. However, the Office of the State Treasurer is not required to select the low-cost bidder, but may select the bid that demonstrates the “best value” overall, including proposed alternatives and that meets the objectives of this RFP. The Office of the State Treasurer reserves the right to negotiate a change in any element of contract performance or cost identified in the RFP.

The factors to be used by the Treasurer’s Office in evaluating the proposals will include, but are not limited to, the following:

Evaluation of Proposals
A. RFP Understanding Approach Clarity Responsiveness to Scope of Services and ability to provide requested services
B. General Experience and Qualifications of Firm Experience Assigned personnel Any other resources assigned to State
C. Cost

The Office of the State Treasurer reserves the right to seek clarification of any proposal submitted, request oral presentations, and to select the proposal considered to best promote the public interest.

The State of Vermont is conscious of and concerned about collusion. It should therefore be understood by all that in signing the bid and contract documents they agree that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company.

Note: Cost proposals will be opened and reviewed only for those bids that meet the established minimum technical thresholds.

ATTACHMENT A – STANDARD CONTRACT PROVISIONS

STATE OF VERMONT

STANDARD CONTRACT FOR PERSONAL SERVICES

1. **Parties:** This is a contract for services between the State of Vermont, _____ (hereafter called “State”), and _____, with principal place of business in _____ (hereafter called “Contractor”). Contractor’s form of business organization is _____. Contractor’s Vermont Department of Taxes Business Account Number is: #_____. If Contractor does not have a Business Account Number, it is the Contractor’s responsibility to contact the Vermont Department of Taxes to determine if, by law, the Contractor is required to have a Vermont Department of Taxes Business Account Number.

2. **Subject Matter:** The subject matter of this contract is services generally on the subject of _____. Detailed services to be provided by the Contractor are described in Attachment A.

3. **Maximum Amount:** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$_____.00.

4. **Contract Term:** The period of Contractor’s performance shall begin on _____, 20__ and end on _____, 20__.

5. **Prior Approvals:** If approval by the Attorney General’s Office or the Secretary of Administration is required, (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by either or both such persons.

- Approval by the Attorney General’s Office is/is not required.
- Approval by the Secretary of Administration is/is not required.
- Approval by the CIO/Commissioner DII is/is not required.

6. **Amendment:** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. **Cancellation:** This contract may be canceled by either party by giving written notice at least __ days in advance.

8. **Attachments:** This contract consists of __ pages including the following attachments, which are incorporated herein:

- Attachment A – Specifications of services to be performed
- Attachment B – Payment Provisions

Attachment C –“Standard State Contract Provisions,” a preprinted form (revision date 10/06), except that the following numbered paragraphs are not included:

WE, THE UNDERSIGNED PARTIES, AGREE TO BE BOUND BY THIS CONTRACT.

by the **STATE OF VERMONT:**

by the **CONTRACTOR:**

Date: _____

Date: _____

Signature: _____

Signature: _____

Name: _____

Name: _____

Agency: _____

Title: _____

**STATE OF VERMONT
CONTRACT FOR SERVICES**

**ATTACHMENT A
SPECIFICATIONS OF SERVICES TO BE PERFORMED**

Details to be inserted by the State

**STATE OF VERMONT
CONTRACT FOR SERVICES**

**ATTACHMENT B
PAYMENT PROVISIONS**

Details to be inserted by the State
**STATE OF VERMONT
CONTRACT FOR SERVICES**

**ATTACHMENT C
STANDARD STATE CONTRACT PROVISIONS**

1. **Entire Agreement:** This contract represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. **Applicable Law:** This contract will be governed by the laws of the State of Vermont.
3. **Appropriations:** If this contract extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this contract, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority.
4. **No Employee Benefits for Contractor:** The Contractor understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation and sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the contract. The Contractor understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including, but not limited to, income, withholding, sales and use, and rooms and meals, must be filed by the Contractor, and information as to contract income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
5. **Independence, Liability:** The Contractor will act in an independent capacity and not as officers or employees of the State. The Contractor shall indemnify, defend and hold harmless the State and its officers and employees from liability and any claims, suits, judgments, and damages arising as a result of the Contractor's acts or omissions in the performance of this contract.
6. **Insurance:** Before commencing work on this contract, the Contractor must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Contractor to maintain current certificates of insurance on file with the State through the term of the contract.

Workers Compensation: With respect to all operations performed, the Contractor shall carry workers compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Contractor shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises – Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$ 50,000 Fire/Legal/Liability

Errors and Omissions: \$5,000,000.00 per occurrence. * Subject to higher available maximums.

Automotive Liability: The Contractor shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the contract. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Contractor for the Contractor's operations. These are solely minimums that have been established to protect the interests of the State.

7. Reliance by the State on Representations: All payments by the State under this contract will be made in reliance upon the accuracy of all prior written representations by the Contractor, including but not limited to bills, invoices, progress reports and other proofs of work.

8. Records Available for Audit: The Contractor will maintain all books, documents, payroll papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the contract and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this contract.

9. Fair Employment Practices and Americans with Disabilities Act: The Contractor agrees to comply with the requirements of Title 21, V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Contractor shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Contractor under this contract. Contractor further agrees to include this provision in all subcontracts.

10. Set Off: The State may set off any sums which the Contractor owes the State against any sums due the Contractor under this contract; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

11. Taxes Due to the State:

a. Contractor understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.

b. Contractor certifies under the pains and penalties of perjury that, as of the date the contract is signed, the Contractor is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

c. Contractor understands that final payment under this contract may be withheld if the Commissioner of Taxes determines that the Contractor is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.

d. Contractor also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Contractor has failed to make an appeal within

the time allowed by law, or an appeal has been taken and finally determined and the Contractor has no further legal recourse to contest the amounts due.

12. **Child Support:** (Applicable if the Contractor is a natural person, not a corporation or partnership.) Contractor states that, as of the date of the contract is signed, he/she:

- a. is not under any obligation to pay child support; or
- b. is under such an obligation and is in good standing with respect to that obligation; or
- c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Contractor makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Contractor is a resident of Vermont, Contractor makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

13. **Subcontractors:** Contractor shall not assign or subcontract the performance of his agreement or any portion thereof to any other contractor without the prior written approval of the State. Contractor also agrees to include in all subcontract agreements a tax certification in accordance with Paragraph 11 above.

14. **No Gifts or Gratuities:** Contractor shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this contract.

15. **Copies:** All written reports will be printed using both sides of the paper.

16. **Certification Regarding Debarment:** Contractor certifies under pains and penalties of perjury that, as of the date that this contract is signed, neither Contractor nor Contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs or programs supported in whole or in part by federal funds.

17. Notwithstanding any other provision in this contract, the parties understand that this contract is a public record.

- END RFP -