



**REQUEST FOR PROPOSAL FOR
ORGANIZATIONAL CHANGE MANAGEMENT SERVICES**

ISSUED: JUNE 29, 2020

RESPONSES DUE: JULY 31, 2020

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RFP SUBMISSION CHECKLIST

Please submit your Proposal by July 31, 2020, at 5:00 p.m. Central Time (CT) Submission Deadline (see Table 1, Section A.3.1) using the format below. Respondents are required to submit Proposals in accordance with the Instructions in A.3.2.

FAILURE TO PROVIDE PROPOSALS IN THE FORMAT REQUESTED MAY RESULT IN BEING ELIMINATED FROM FURTHER CONSIDERATION. However, as long as there is substantial compliance in the sole judgment of TMRS, minor deviations will not disqualify the Respondent from consideration. This checklist is provided as an aid; Respondents retain responsibility to address all RFP requirements in their proposals.

All Respondents must submit a Notice of Intent and Non-Disclosure Agreement (NDA) by the deadline in Table 1.

All binders must contain (at a minimum):

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TAB 1

Cover Letter signed by authorized representative
Firm Guarantees and Warranties (Exhibit II)
Respondent Certifications and Affirmations
Assumptions and Exceptions, if any

TAB 2

Master Services Agreement exceptions
Warranty Limitations, if any

TAB 3

Firm Qualifications
Client References for Project Manager and Projects
Financial Information
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TAB 4

Project Management
High-level Project Work Plan
Project Staffing Plan (TMRS and Respondent)
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Sample Weekly Project Status Report
Sample Transition Plan for Key Staff

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List of all Documentation to be delivered during Project
Training Plan



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PART A GENERAL INFORMATION

A.1 PURPOSE AND SCOPE

The Texas Municipal Retirement System (TMRS) is planning to modernize its pension administration system over a five-year period. The Pension Administration System Modernization (PASMod) program includes enhancing a member web portal, replacing the current employer reporting system, implementing a customer relationship management solution, and evaluating the feasibility of a mobile application. TMRS is issuing this Request for Proposal (RFP) with the intent to select and hire a qualified, professional organizational change management consulting firm (Firm or Respondent) to perform the following:

- (1) Assess the readiness of TMRS and its participating Employers to successfully embark on the PASMod program
- (2) Propose an organizational change management plan that outlines steps TMRS should undertake to prepare the organization for change and ensure staff stay engaged and committed to the change
- (3) Propose a comprehensive training program for both internal staff and external customers
- (4) Provide a communication plan that aligns with the PASMod project implementation schedule to retain transparency with staff and external customers
- (5) Execute, monitor, and adjust the change management plan, training program, and communication plan as needed

TMRS expects to enter into a Master Services Agreement (MSA) with the Selected Vendor by September 17, 2020.

A.2 OBJECTIVE

The objective of this RFP is to elicit vendor proposals to provide a readiness assessment, an organizational change management plan, a comprehensive training program, and a communication plan to support and ensure the successful implementation of TMRS' PASMod program (collectively, Services). This RFP, including Attachments, contains the requirements and expectations of TMRS for an Organizational Change Management vendor. The RFP also specifies a common format for responses and the timeframes for this procurement process.

A.2.1 MINIMUM QUALIFICATIONS

A Respondent must meet all of the qualifications outlined below. The Firm shall attest in Exhibit I, "Notice of Intent," that it meets or exceeds all qualifications required herein.

A.2.1.1 Respondent Minimum Qualifications

To qualify for consideration, the Respondent must have worked with three or more clients on projects with a similar scope described in this RFP. Services for at least one of those referenced clients must be complete. Also, at least one referenced client should have at least fifty (50) external organizations affected by the project changes, preferably with some of the affected external organizations located at a great distance from the client (i.e., 100 miles or further).



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The Respondent must identify and describe the projects that satisfy the minimum requirements described above. The Proposal should include a completed Respondent Client Reference Form (Form 1, Section E.6) for each project listed (minimum of three).

A.3 PROCUREMENT INFORMATION

A.3.1 PROCUREMENT SCHEDULE

Except for the Submission Deadline, the dates provided in Table 1 – Procurement Schedule, below, are approximate.

TMRS reserves the right to change the schedule at any time. Respondents should check the TMRS website from time to time as any changes to the schedule will be posted there.

Table 1 – Procurement Schedule

Date	Activity
Monday, 06/29/2020	Publication of RFP on TMRS Website All respondents are prohibited from contacting TMRS employees, Trustees, and contractors regarding any aspect of the RFP during the bid process other than as directed by TMRS herein.
Friday, 07/10/2020	Notice of intent to submit proposal and Signed NDA should be submitted to: TMRS-OCM-RFP@tmrs.com (see EXHIBIT I and EXHIBIT IV). TMRS will provide Confidential Data to the Respondent upon receipt of the NDA.
Friday, 07/17/2020 5:00 p.m. CT	Due date for all RFP questions. RFP questions should be submitted to: TMRS-OCM-RFP@tmrs.com
Friday, 07/24/2020	TMRS responses to RFP questions to be distributed to vendors who provided notice of intent to submit a proposal.
SUBMISSION DEADLINE Friday, 07/31/2020 5:00 p.m. CT	Deadline for receipt of proposals to: Jesse Pittman - Texas Municipal Retirement System RE: OCM RFP Physical Address: 1200 North Interstate 35 Austin, Texas 78701 Mailing Address: P.O. Box 149153 Austin, Texas 78714-9153
To Be Determined	Finalists may be required to participate in a face-to-face or teleconference interview session at a designated time and location that will be announced by TMRS.
09/04/2020 (estimated)	Firm selection
Upon Contract Execution	Contract begins

A.3.2 PROCUREMENT INSTRUCTIONS

From the issue date of this RFP until a successful Respondent is selected and the contract is executed with the Selected Vendor, or until such time as TMRS determines that there is not a successful Respondent, Respondents are not allowed to communicate, for any reason, with TMRS staff or Trustees **regarding this particular procurement**, except through the representative named herein.



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The point of contact for questions related to this RFP is TMRS-OCM-RFP@tmrs.com.

Notice of Intent and Non-Disclosure Agreement

Any Firm that wishes to provide a Proposal in response to this RFP, must submit a Notice of Intent (Exhibit I) and executed Non-Disclosure Agreement (Exhibit IV) by the deadlines set forth in Table 1 – Procurement Schedule, above. Proposals will not be considered from a Firm that does not submit a Notice of Intent and Non-Disclosure Agreement.

A report on the PASMod recommendations and roadmap will be provided to those Firms submitting Notice of Intent and Non-Disclosure Agreement.

Proposal Instructions

Respondents are to submit a total of seven (7) hard copy Proposals. Pages should be numbered sequentially with the name of the Respondent printed on the bottom center of each page ([Respondent Name] – [Page #]). Supplemental information (such as general company information), if any, should be restricted to appendices following the responses. Please do not submit brochures in place of narrative responses in the format requested. Respondents are strongly encouraged to be as accurate and brief as possible in their responses. Proposals should be narrowly focused on competency, qualifications, and experience of Respondent and service features, including, but not limited to, substantially similar services for similar clients.

The Firm's "Guarantees and Warranties," in Exhibit II, must be provided on Respondent's company letterhead and signed by an officer of the Respondent with authority to execute agreements for the Respondent. Each Proposal should be on standard white 8½" x 11" paper in 12-point type, and should be as brief but responsive as possible. Following all formatting requirements is strongly recommended; however, as long as there is substantial compliance in the sole judgment of TMRS, minor deviations will not disqualify the Respondent from consideration.

Required Materials

Proposals should be in the following two formats:

- Hard Copy – Submit seven (7) hard copy Proposals. Label one "Original." Submit these in separate loose-leaf binders on single-sided 8½" x 11" paper in 12-point font with tab indexes corresponding to appropriate sections.
- Electronic File – Submit one (1) electronic Proposal with three (3) files, in Microsoft Word or Adobe Acrobat PDF format, labeled as indicated below:
 - The entire Proposal, labeled "TMRS [Respondent Name] RFP – Complete"
 - The information from the Proposal you consider confidential and/or proprietary, labeled "TMRS [Respondent Name] RFP – Confidential Information"
 - The information you consider not to be confidential and proprietary, labeled "TMRS [Respondent Name] RFP – Publicly Available Information"

The Proposal must address all of the requirements in this RFP. TMRS is not responsible for receipt of any Proposal that is not labeled, packaged, or delivered properly. All RFP materials shall include complete and detailed supporting documentation as required. Proposal must be received by TMRS prior to the Submission Deadline as noted in **Table 1 – Procurement Schedule** in Section A.3.1 to:

Texas Municipal Retirement System

Attn: **Jesse Pittman**

1200 North Interstate 35

Austin, TX 78701

Respondent must also deliver electronic files to TMRS-OCM-RFP@tmrs.com or on a USB drive with the hard copies.

A.3.3 RFP AMENDMENTS

TMRS reserves the right to amend the RFP at any time. TMRS may, at any time and among other options, amend this RFP and require additional and/or amended submissions from the Respondents before selecting a Firm. Amendments will be posted to the TMRS website at the following address:
https://www.tmrs.com/RFI_RFP.php.

A.3.4 RESPONDENT QUESTIONS ABOUT RFP AND PROCUREMENT

Each written question must include the associated RFP section and page number. All questions regarding this RFP and/or TMRS should be submitted via email. All questions must be submitted to: TMRS-OCM-RFP@tmrs.com by the deadline for RFP questions in **Table 1 – Procurement Schedule** in Section A.3.1.

A compilation of all questions and answers will be distributed to all Respondents who submit a timely Notice of Intent. All questions will have identifying information removed before responses are posted to allow Respondents to remain anonymous during the procurement process.

A.3.5 PRESENTATIONS, DEMONSTRATIONS, AND DISCOVERY

TMRS may select Respondents to provide presentations and/or demonstrations for TMRS. The presentations and/or demonstrations will be completed on-site at TMRS or via web conference, at TMRS' discretion. TMRS will provide an overview of its existing Pension Administration System (PAS), and an overview of changes to the PAS included in the PASMod program and associated projects.

Additional confidential detail on the PASMod program and associated projects can be found in an external consultant's report, which will be made available to Firms after submitting "Notice of Intent" in EXHIBIT I and signing the "TMRS Non-Disclosure Agreement" in EXHIBIT IV.

A.3.6 REQUESTS FOR CLARIFICATION

Upon review of Proposals submitted by Respondents, TMRS may, at its discretion, request additional information or clarification relating to this RFP, from all or any Respondent. Respondents will be provided a reasonable period of time to submit written responses to TMRS' questions and/or requests for clarification. Such question-and-answer exchanges may be repeated until TMRS is satisfied.

All such written exchanges between TMRS and the Selected Vendor will be incorporated by reference into the contract that may be executed by and between the two parties.

A.3.7 PROPOSAL WITHDRAWAL

A proposal may be withdrawn any time prior to the Submission Deadline by submitting written notification signed by an authorized agent of the Firm. The withdrawn proposal may be resubmitted with any modifications, but not after the Submission Deadline. Modifications offered in any other manner may not be considered.

A.3.8 BEST AND FINAL OFFERS

At TMRS' discretion, Best and Final Offers (BAFO) may be solicited from Respondents after the initial review of proposals and demonstrations (if conducted).



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BAFOs may include but are not limited to pricing, scope changes, demonstration clarifications, staffing changes, changes to approach – both those solicited by TMRS and those offered by a Respondent.

TMRS may elect not to solicit BAFOs, therefore Respondents are encouraged to offer the best terms and pricing in the initial proposal.

A.3.9 COST FOR PREPARING PROPOSALS

The costs for preparation and delivery of the proposal, as well as any other costs incurred in the pursuit of contract award (e.g., preparation and presentations/demonstrations), are the sole responsibility of the Respondent. TMRS will not provide reimbursement or otherwise be held responsible for such costs.

A.3.10 ACCESS AND FACILITIES PROVIDED DURING IMPLEMENTATION

TMRS will provide secure, supervised access to TMRS' network, current processing environment, a wireless Internet connection, and limited workspace to the Selected Vendor, when necessary. The Firm must abide by TMRS' security and other system-use policies when connected to the TMRS network and handling TMRS' information.

The TMRS Project Manager will be responsible for the day-to-day project activities of TMRS staff along with providing other subject matter expertise and support. The Selected Vendor will appoint an Organizational Change Manager who will be responsible for overseeing the day-to-day activities of the Firm's staff and contractors, and coordinating with the TMRS Project Manager.

A.3.11 CLARIFICATION OF TERMINOLOGY

All references in this RFP to features, functions, or Deliverables that “should,” “must,” “will,” “has ability to,” etc. be provided by the Respondent's proposed solution are to be construed as mandatory. Similarly, all references in this RFP to information that “should,” “must,” “will,” “has ability to,” etc. be provided in the Respondent's proposal are to be construed as mandatory.

In reviewing Respondents' Proposals, TMRS will assume that all methodologies, features, and functionality described therein will be delivered for the quoted not-to-exceed cost presented in the Respondents' cost proposals (see Section E.10). Statements such as “... [Functionality n] can be provided ...” or “... [Functionality n] may be provided ...” or other similar sentence constructions will be interpreted to mean that functionality will be provided at no additional cost. If Respondents wish to discuss methodologies, features, or functionality that are feasible but not included in their cost bid, they must explicitly state that such functionality is excluded from the cost bid in every applicable case.

References to days are to calendar days unless otherwise explicitly stated.

Reference is made throughout the RFP to project phases. The phases we require are based on best practices in project management, particularly as defined in the Project Management Institute's *Project Management Book of Knowledge (PMBOK)*. In addition, we use the term “sub-phase” or “functional roll-out” to refer to the major functional rollouts (e.g., core pension, new functionality) that encompass the new solution implementation phase.

“Deliverables” or “Contractual Deliverables” are artifacts that, upon their written acceptance by TMRS, will trigger payments that have been established by TMRS.

“Employers” refers to TMRS participating municipalities that provide participant and employer information to TMRS.

“User(s)” refers to operators of the current and proposed systems. These may be internal TMRS staff, or external operators, such as Employer staff users.

“Firm” and “Respondent” refer to the vendors who bid on this RFP.



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“Selected Vendor” refers to the Firm to which TMRS awards the contract resulting from this RFP.

Other terms may be defined in Title 8, Subchapter G, Chapters 851-855 of the Texas Government Code (the “TMRS Act”) or Chapters 121-129 of Title 34 of the Texas Administrative Code (the “TMRS Board Rules”).

PART B TMRS BACKGROUND

B.1 OVERVIEW OF ORGANIZATION AND FUNCTIONS

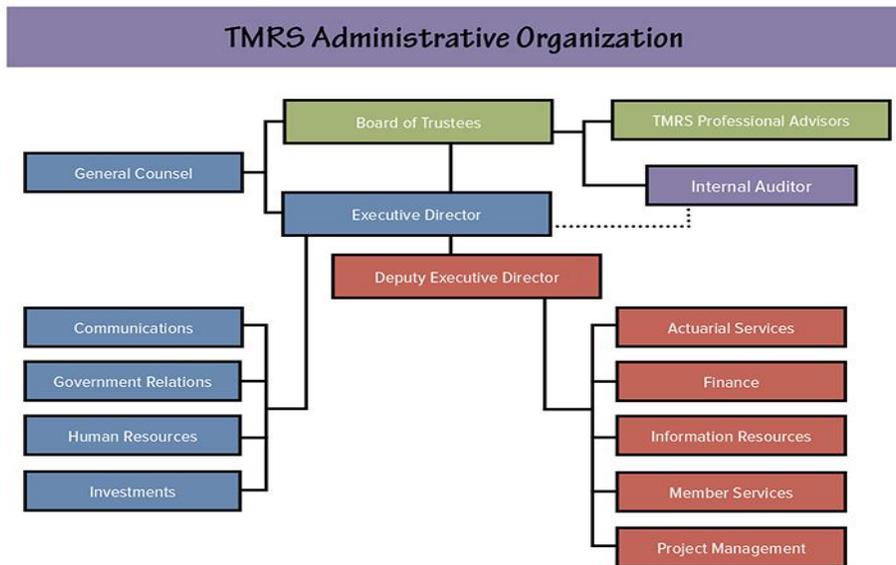
B.1.1 ORGANIZATION AND STAFF

TMRS was created by the Texas Legislature in 1947 and began operations in 1948. TMRS is a statewide governmental pension plan qualified under Section 401(a) of the Internal Revenue Code (IRC”) and is not subject to Title I of the Employees Retirement Income Security Act of 1974 (“ERISA”). TMRS is created by statute and administered in accordance with Title 8, Subtitle G, Chapters 851 through 855 of the Texas Government Code (“the TMRS Act”) and other applicable provisions of Title 8 of the Texas Government Code. TMRS administrative rules, adopted by the TMRS Board of Trustees (the “Board”), may be found under the Texas Administrative Code, Title 34. TMRS is a statewide agent multiple-employer public employee retirement system that provides retirement, disability, and death benefits to its members and their beneficiaries. At the end of 2019, TMRS administered 888 joint contributory, hybrid defined benefit plans for its member municipalities. Funds available to finance retirement benefits result from the accumulation of municipality contributions and members’ deposits plus annual income allocated from investments. An annual actuarial valuation is performed for each municipality (as of December 31) to determine its calendar-year contribution rate. Each Employer can customize its plan based on a predefined set of options, such as the employee contribution rate, the employer matching ratio, vesting and retirement eligibility, and special service credits. See B.1.3 for Pension System statistics.

ORGANIZATIONAL DEPARTMENTS

The organization is divided into various departments, as noted in the organization chart below. Brief descriptions of key departments involved in facilitating the Services herein follow the chart.

Figure 1 – Organizational Chart



COMMUNICATIONS

This department, led by the Director of Communications, ensures the delivery of efficient and effective communication and education strategies. This team of individuals manages communications across all media; provides educational services to members, cities, and retirees; ensures the System's message is consistent; researches news and issues; and promotes internal communications. The Communications department includes the Travel Team, who work directly with employers to provide a variety of customer services.

FINANCE

The Finance Department is led by the Director of Finance, who is responsible for internal and external financial reporting, as well as managing the investment accounting function, which includes daily communication with and support to the TMRS Investment Department. The Finance Department prepares and presents budgets, forecasts revenues and expenditures, presents strategic plans, researches current pension and financial accounting issues, coordinates activities with internal departments and outside agencies and officials, and provides financial reports, prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), to TMRS management and the Board. Finance personnel also participate in special projects, work with outside actuaries, and assist cities and outside parties with information.

INFORMATION RESOURCES

The Information Resources (IR) Department is led by the Director of Information Resources, with an Assistant Director of Information Resources, a Records Supervisor, an Information Systems Manager, and a Network Operations Manager. This department supports all other TMRS departments and is tasked with the implementation of technology and records management initiatives, maintenance of current applications, as well as database administration. TMRS' IR Department develops, coordinates, and oversees the strategic long-term planning of the department and the organization regarding information technology matters, and provides customer support to internal users, members, member cities, and annuitants. This department also coordinates TMRS' records management functions, disaster recovery, and business continuity operations.

INTERNAL AUDIT

The Internal Audit Department is led by the Director of Internal Audit, who reports directly to the Audit Committee of the Board and administratively to the TMRS Executive Director. The Internal Audit department plans and conducts investment and operational audits, and monitors the implementation of audit recommendations and controls.

MEMBER SERVICES

The largest TMRS department is directed and managed by the Director of Member Services and three Member Services managers who are supported by a Business Process Analyst. Member Services is tasked with processing member and retiree benefits and administering city plan provisions. This team of analysts provides account management and benefits counseling to participating cities, members, retirees, annuitants, beneficiaries and officials; creates and maintains member/retiree accounts; answers incoming calls; composes correspondence; and processes payments.

B.1.2 KEY PLAN PROVISIONS

Each participating TMRS city has its own retirement benefit structure within the general framework of the TMRS Act. Provisions may vary from city to city, depending on the options selected by each city's governing body. Plan provisions can be found online at: https://www.tmr.com/city_plans.php

B.1.3 KEY PROCESSING STATISTICS

General statistics about the current PAS (defined in A.3.5) are included in Table 2 – TMRS Pension Administration Statistics below:

Table 2 – TMRS Pension Administration Statistics

ITEM	QUANTITY
Number of active members (as of 12/31/2019)	114,195
Number of inactive members (as of 12/31/2019)	43,514
Number of annuitants (retirees and beneficiaries) receiving monthly payments (as of 12/31/2019)	60,899
Number of contributing employers (as of 12/31/2019)	888
Net assets (as of 12/31/2018)	28 billion
Number of full-time, TMRS employees	128
Annual Number of Retirements (in 2019)	3,856
Annual Number of Refunds (in 2019)	7,553

B.2 CURRENT COMPUTER SYSTEMS /APPLICATIONS

Major applications supporting the current retirement administration operations of TMRS are presented below in Table 3 – TMRS Current Major Applications, with additional descriptions of particular applications detailed in the sections that follow.

Table 3 – TMRS Current Major Applications

APPLICATION	PURPOSE
NextGen	Pension Administration System (PAS)
City Payroll (internally developed application)	Data entry/upload and validation of monthly compensation and contribution from all cities (internal use only)
Hyland Perceptive Content®	Third-party Enterprise Content Management System and workflow
Microsoft Dynamics GP	Third-party Financial Management System (FMS)/General Ledger
MyTMRS®	Web portal that provides members secure access to: <ul style="list-style-type: none"> <input type="checkbox"/> Account and service balances <input type="checkbox"/> Vesting and retirement eligibility status and forecasts <input type="checkbox"/> Customized pension estimates

APPLICATION	PURPOSE
	<input type="checkbox"/> Beneficiary updates <input type="checkbox"/> Deposits, interest, and payment history <input type="checkbox"/> Withholding elections <input type="checkbox"/> Contact information updates Currently being expanded to include: <input type="checkbox"/> Direct deposit updates <input type="checkbox"/> Withdrawal (refund) applications
City Portal	Web portal provides employers secure access to document upload, financial reports, new member enrollments, and other features.

B.2.1 PENSION ADMINISTRATION SYSTEM (NEXTGEN MBS)

TMRS currently uses a custom-built pension administration system (referred to as NextGen) to manage, track, and administer member benefits. NextGen is the primary administrative solution which houses all members’ employment and work history, as well as benefit calculations and payments.

NextGen supports four main functions:

- Creation and maintenance of city retirement plan options and required contribution rates
- Creation and maintenance of member and annuitant data
- Creation and maintenance of payment processing (refunds, annuities, partial lump sum distributions, and supplemental death benefits)
- Application of annual interest, Updated Service Credit, and cost of living adjustments

Inbound feeds into NextGen include member contribution data from employers (via text files manually imported from files posted to a secure FTP site), and check clearing information received from the bank.

Principal outbound feeds include user-generated reports, electronic journal entries to Microsoft Dynamics GP (including payments issued, employer payroll contributions received, interest applied, retirement transfers, and all other electronic journal entries), check data manually uploaded to a third party’s check printing service, documents/images (such as pension estimates, retirement calculations, eligibility letters, and vesting letters) into Hyland Perceptive Content®, and positive paycheck information manually loaded into the TMRS bank’s Positive Pay System®.

B.2.2 EMPLOYER PORTAL (TMRS CITY PORTAL)

There is an outward facing employer portal (“TMRS City Portal”) that provides cities with web access to employees’ information, functionality to upload employee and payroll documents securely, as well as the ability to enroll a new member through an online form. The TMRS City Portal is also a custom-built application. Each employer is required to administer user permissions for their staff.

A high-level site map and list of current functionality is as follows:

- Home Page

- View listing of City Portal Users for your city
- View Regional Managers for your city
- View recent activity of all Users on the City Portal (audit feature)

■ **Member Center**

- Query member by Tax Identification Number to view the following:

Name	Birth Date	Vesting Status/Forecast
Address	Death Date	Retirement Eligibility/Forecast
Phone	Participation Date	Service Credit Balances
Gender	Termination Date	Account Balance
Fire/Police	Last Deposit Date	Deposit History
Account Status		

- Generate pension estimates for a member specifying desired retirement date
- View previous pension estimates generated in the past 60 days

■ **File Upload**

- Upload PDF or TIF documents to be routed to Member Services Department for processing

■ **Enrollment**

- Enroll new members in the pension plan

■ **Reports**

- Retirement eligibility status or forecasted eligibility date for current employees (CSV or PDF)
- Vesting status or forecasted vesting date for current employees (CSV or PDF)
- Service credit summary for each current employee (CSV or PDF)
- Service credit summary for each retired employee (CSV or PDF)
- Annuitant address listing (CSV or PDF)
- Vested members needing to update beneficiary designation (CSV or PDF)
- Valuation census data (XLS)
- SOC-1 Type 2 Report (PDF)

■ **Employee Contribution File Upload**

- Upload fixed format, txt, or XLS file of employee contributions for a given month

■ **User Management**

- Each employer has a privileged User (“Administrator”) that can grant access to functions within the system to certified TMRS contacts defined in the NextGen.

■ **Planned Future Functionality**

TMRS has designed a number of processes and functions that are under development for the TMRS City Portal, but are not currently in production. These items are listed below:

- Certification Workflows
 - Provide a method for Employers to be notified about a certification for a member event requiring their action
 - Provide a method for Employers to certify a member's future or past termination date of employment when a retirement or refund application is submitted
 - Provide a method for Employers to certify a member's Public Safety Officer designation
- Employer Contact Management
 - Provide an interface for designated Employer Users to manage authorized contacts within their city
 - Manage User contact information (name, physical address, mailing address, emails, and phone numbers)
 - Specify the types of authorizations that a User has (signing authority, request information, provide information etc.)
 - Specify the permissions the User will have in online services within the City Portal.

B.2.3 MEMBER PORTAL (MYTMRS®)

MyTMRS® is a custom-built web accessible application for individual member or retiree access. Users self-register their accounts to gain access through the portal.

MyTMRS provides TMRS members and retirees the ability to:

- View their account balance, beneficiary, and contact information
- View contribution, interest, special purchase, and payment history
- Check their refund application status
- Update their designated beneficiary
- Change their address, phone number, and email addresses
- Update tax withholding elections
- Run retirement pension estimates
- Update communication preferences for newsletters
- View annual statements and tax documents

In late 2020, it is expected that members will also be able to update their direct deposit routing information. Future releases will allow members to apply for a refund of accumulated contributions or apply for a retirement benefit.

B.2.4 ACCOUNTING SYSTEM (MICROSOFT DYNAMICS GP)

Microsoft Dynamics GP is the primary accounting system TMRS uses.

The modules currently in use include:

- General Ledger – tracks all types of general ledger entries and reporting periods

- Payables Management – manages purchases made on account, tracks vendors, manages vouchers, processes payments, and analyzes vendor performance
- Bank Reconciliation – integrates all cash and check transactions, tracking bank account balances and automating the monthly process of reconciling these accounts
- Fixed Asset Management – used to record, track, depreciate, and analyze TMRS’ fixed assets

B.2.5 DOCUMENT MANAGEMENT SYSTEM (HYLAND PERCEPTIVE CONTENT®)

TMRS uses Hyland Perceptive Content (“Perceptive Content”) as its enterprise content management and business process management solution. This repository and workflow solution is used to manage scanned and electronically generated images of city ordinances, city communications, member forms and correspondence, annual statements and tax documents, city payroll reports, and accounts payable documents. There are multiple routes by which data and images are routed into Perceptive Content, including:

- High volume scanning. This process involves a variety of TMRS forms that are part of established workflow processes. The Records Department takes forms received via mail or fax and scans and indexes them daily upon receipt. Kofax Capture™ is used to scan and index the documents. They are then electronically routed to Member Services for processing. Key workflows currently include: new member set-up, city payroll reports, beneficiary changes, address changes, withholding changes, direct deposit forms, special service credit applications, and refund applications.
- Backlog scanning. This process involves a variety of records that are not currently associated with established electronic workflows, including retirement and death benefit applications. The Records Department forwards such records directly to Member Services, which scans the records with Kofax Capture and processes the records.
- Application feeds. Interfaces have been created from NextGen, TMRS City Portal, and MyTMRS to support the direct storage of data and images into Perceptive Content without User intervention. For example, when a User creates a retirement estimate from one of these applications, a PDF rendering of the estimate is automatically archived into the Perceptive Content repository. Tax documents, annual statements, and other bulk communications are also imported directly into Perceptive Content.
- Microsoft Word feeds. When viewing documents that are associated with an established workflow, NextGen Users may create a new Word document to be imported into the Perceptive Content repository via a macro that places it in a specified directory for capture by Perceptive Content.

PART C PROJECT SCOPE

C.1 NATURE OF SERVICES REQUIRED

In March of 2019, TMRS engaged an outside consultant to perform a PAS assessment. The goal of the assessment was to:

- Assess the current TMRS PAS
- Identify gaps and improvements
- Present solution options for TMRS' consideration
- Recommend the best option(s) for TMRS to pursue

At the conclusion of the assessment, TMRS staff received the following recommendations to modernize the PAS:

1. Retain and Upgrade NextGen
 - Complete the TMRSDirect® projects (MyTMRS)
 - Fill high value gaps
 - Refactor the current PAS
2. Replace the employer reporting system with a customizable off the shelf (COTS) application
3. Implement a commercially available Customer Relationship Management (CRM) solution
4. Evaluate the introduction of a mobile application

That consultant's recommendation also contained an implementation roadmap to complete the modernization effort in approximately four to five years. TMRS staff agreed with the recommendations and received approval from the Board to embark on PASMod. PASMod is expected to positively enhance TMRS' efficient administration of the pension administration system, as well as improve service to TMRS members, retirees, and cities.

More detailed information is available in the consultant's report, such as recommended program phases, timelines, details of the system changes, etc. The report will be provided to Respondents as stated in Section A.3.2.

C.2 SCOPE OF WORK

TMRS is soliciting the services of an organizational change management consulting firm, preferably with experience in the pension industry, to perform the Services, as described herein, under an MSA (Master Services Agreement) consisting in particular of the following:

- Assess the readiness of TMRS and its participating Employers to successfully implement the PASMod Program.
- Propose an organizational change management plan that addresses process and technology/application changes resulting from the PASMod Program, and that outlines steps recommended for management to prepare the organization for change and to ensure staff stay engaged and committed to the change.

- Propose a comprehensive training program for both internal staff and external customers.
- Provide a communication plan that aligns with the PASMod project implementation schedule to keep staff and external customers informed throughout the PASMod Program.
- Execute, monitor, and adjust the change management plan, training program, and communication plan as needed.

These Services are to be performed in accordance with the provisions in this RFP. TMRS reserves the right to use the Proposals to hire a Firm to provide additional services as TMRS deems necessary on a non-exclusive basis upon mutual agreement of the scope and fees.

The Selected Vendor will have to develop an understanding of the technology and business process changes to be implemented with the PASMod Program and associated projects. The firm will be required to propose an Organizational Change Management Plan that aligns with TMRS’ PASMod Program. The change management proposal must be based on a jointly supported program using TMRS staff and proposed firm personnel. Components of the Organizational Change Management plan must include a strategy for determining change readiness, effective end-user and organization-wide change and alignment strategies, as well as training and knowledge transfer. The Firm must involve TMRS staff in the design and development of the program and provide “train the trainer” services so that TMRS staff can transfer these services to other staff and stakeholders as needed. The Firm is expected to design and produce any materials it recommends and develop or otherwise supply any required content, courses, or other information required for the training program. The cost of the Organizational Change Management Plan must be shown separately on the Cost Proposal.

C.3 REQUIRED DELIVERABLES AND DUE DATES

Respondents must provide a detailed listing of Deliverables that will be produced by the Respondent for the project with estimated completion dates. This section consists of a list of the minimum set of high-level Deliverables required for the project. Table 4 – Delivery Due Dates for Key Project Management Deliverables, below, lists those Deliverables with delivery dates predicated on the contract start date or start of a phase or work unit. These Deliverables, as well as all the others listed in this section, must appear in the Respondent’s Detailed Project Work Plan.

Table 4 – Delivery Due Dates for Key Project Management Deliverables (Business Days)

No.	Deliverable	Days Post Contract Start	Days Prior to Start of Phase or Work Unit
1	Readiness Assessment	30 days	
2	Organizational Change Management Plan and Updates	60 days and monthly thereafter	
3	Statements of Work		10 days
4	Comprehensive Training Plan	90 days	
5	Communication Plan and Updates	60 days and monthly thereafter	

No.	Deliverable	Days Post Contract Start	Days Prior to Start of Phase or Work Unit
6	Project Status Reports	10 days and weekly afterwards	

The following section further describes the minimum set of high-level Deliverables required of the Selected Vendor. The list includes Deliverables identified above (i.e., those with dates predicated on project start date or task or work unit start date), as well as other Deliverables that will be due based on a schedule dictated by the project plan developed by the Respondent.

C.3.1 READINESS ASSESSMENT

It is critical that TMRS and participating Employers are prepared to implement the PASMod Program successfully. Anticipated changes are expected to the following:

- Business processes
- Technology supporting the business processes
- Staff work processes

At the conclusion of the assessment, TMRS anticipates the Selected Vendor will understand what TMRS staff and participating Employers expect from the PASMod program and its successful implementation. For purposes of this RFP response, the Firm should anticipate the requirements of Deliverable 1 to be a report that assesses the readiness of TMRS and Employers to accept and adapt to these changes. The report should include, at a minimum:

- Individualized assessments of the readiness of key executives to understand, explain, and support the need for change. (Selected Vendor will work with TMRS to develop a list of staff to be included).
- An overall (not individualized) assessment of supervisory and front-line staff’s readiness for change and the support needed to implement it. (Selected Vendor will work with TMRS to develop a list of staff to be interviewed or otherwise contacted in this process).
- An overall assessment of participating Employers’ readiness for change. Selected Vendor may recommend a plan for assessing all Employers or a sample of Employers.
- A review of TMRS’ communications capabilities and practices, identifying areas of potential short-term and long-term improvement. Selected Vendor may recommend additional elements for inclusion in the assessment.
- Respondent should include a sample outline of an assessment report completed for a similar project.

C.3.2 ORGANIZATIONAL CHANGE MANAGEMENT PLAN

The success of TMRS’ PASMod Program will rely in part on the success of the Organizational Change Management and the effectiveness of our marketing to approximately 900 Employers. These Employers need to embrace adoption of an entirely new Pension Employer Reporting System, which will be used to report monthly member deposits and employer matching fund deposits. In addition, the PASMod Program will include the implementation of a commercially available CRM System, along with other changes to the existing PAS applications. The marketing campaign should incorporate change management techniques that encourage adoption by Employers, as well as by TMRS staff.

The Selected Vendor must provide an Organizational Change Management Plan that addresses process and technology/application changes resulting from the PASMod program. TMRS expects a detailed, integrated, and finalized plan, including delivery of the schedule, sixty (60) days after contract start (see Table 4 – Delivery Due Dates for Key Project Management Deliverables (Business Days)). This plan must be established

and maintained by the Selected Vendor throughout the life of the project, will be reviewed at meetings between TMRS and the Selected Vendor, and be updated by the Selected Vendor when changes occur to the plan, but not less frequently than every 10 business days.

The plan should include, at a minimum:

- A definition and articulation of the need(s) for change
- A proposed marketing campaign that embraces change management techniques for both TMRS staff and Employers along with an implementation timeline
- An outline of a series of steps recommended for TMRS management to prepare the organization for change and ensure TMRS staff stay engaged and committed to the change
- A description of the change management methodology and the practices to be implemented
- A description of resistance management and the approach for mitigating the risk of resistance
- A list of technologies and tools that will be used in the change management process
- A description of the measurement tools, including research methods and defined indicators of successful acceptance of the changes implemented
- A description of industry best practices of organizational change acceptance
- A detailed risk management report outlining the key risks and mitigation actions; Selected Vendor will actively manage project risks and update the risk management report on a monthly basis

Respondent should provide samples of previously used Organizational Change Management Plans for similar projects.

C.3.3 STATEMENTS OF WORK (SOWs)

All work to be performed by the Selected Vendor will be described by written SOWs authorized by TMRS, which define distinct components of work. Thus, manageable increments of work will be defined, executed, and managed. When viewed in the aggregate, these increments comprise the entire project. Separate SOWs will be required for each Organizational Change Management effort associated with the following projects within the PASMd Program:

A. RETAIN AND UPGRADE NEXTGEN

- Complete the TMRS Direct projects (MyTMRS)
- Fill high value gaps

B. REPLACE THE CITY CONTRIBUTION SYSTEM WITH A COTS APPLICATION (PENSION EMPLOYER REPORTING SYSTEM)

C. IMPLEMENT A COMMERCIALLY AVAILABLE CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SOLUTION

D. EVALUATE THE INTRODUCTION OF A MOBILE APPLICATION

The Selected Vendor will submit detailed SOWs to the TMRS Project Manager for review, possible revision, and acceptance. TMRS will require up to ten (10) business days to review and authorize a SOW. Therefore, the Selected Vendor must factor in this review period when scheduling its activities under the contract. Under no circumstances will any work be done absent a SOW duly authorized by TMRS.

As indicated in Table 4 – Delivery Due Dates for Key Project Management Deliverables, a SOW must be submitted and authorized by TMRS prior to the start of the tasks or activities identified in the SOW. The Respondent acknowledges and agrees that in no way shall SOWs diminish responses to the requirements as articulated in the RFP submission. The first SOW should be provided within 10 days of contract signing.

C.3.4 COMPREHENSIVE TRAINING PROGRAM

Organizational Change Management and Training will be critical factors in the success of TMRS' modernization efforts for the PASMod Program. The Selected Vendor must deliver an organizational change management training program that addresses the personnel challenges for all SOWs listed in C.3.3. The training program must adequately train TMRS staff and Employers to prepare them for implementation of new systems and implementation of new functionality and business processes in existing systems. The Selected Vendor will assist TMRS and the vendors selected to implement the new Pension Employer Reporting System and Customer Relationship Management System by leading a series of field training sessions at various locations throughout Texas. TMRS will assist in the identification of the locations, and reserve the training space at each location. The Selected Vendor will assist with the training preparation, delivery, and execution. The Respondent should facilitate the creation of recorded sessions (webinars) that can be published on the TMRS website for access by Employers who are unable to attend a live training session. The tool used to deliver the recorded sessions should track participation by the viewers of the webinar so that TMRS can maintain metrics on those who have or have not participated in training. Respondent may also provide other value-added approaches that they previously have implemented successfully.

The training program will be delivered jointly by the Selected Vendor personnel and TMRS staff and include a “train the trainer” approach. The Selected Vendor must provide all electronic source documents, graphics, etc., used in the development and presentation of all aspects of training. In addition, the Selected Vendor training materials must be developed and delivered to TMRS for review prior to the start of actual training activities. All training materials, either in electronic or hard copy format, may be copied by TMRS without restriction.

TMRS and the Selected Vendor will jointly determine the training dates and schedule TMRS staff and facilities.

The Respondent should include samples of training program plans and materials for similar projects.

C.3.5 COMMUNICATION PLAN

Respondent shall develop and provide a communication plan that aligns with the PASMod implementation schedule to keep both TMRS staff and Employers informed of the modernization effort. The plan should include:

- A detailed roadmap and schedule for communications to be rolled out to approximately 900 Employers and to TMRS staff
- A list of technologies and tools that will be used to communicate changes

The Respondent should include samples of previously used communication plans for similar projects.

C.3.6 PROJECT STATUS REPORTS

Unless otherwise agreed to by both parties, the Selected Vendor must deliver weekly written project status reports and facilitate weekly status meetings throughout the life of the project. The status reports must include separate sections that cover all parallel parts, phases, or aspects that were in progress or had been completed during the reporting period or that will begin during the next reporting period.

The Respondent should include samples of previously used project status reports for similar projects.

The final format of the status report will be mutually agreed upon between TMRS and the Selected Vendor within two weeks of the project start date. TMRS reserves the right to request edits to these weekly status reports if needed.

The Selected Vendor may also be asked to participate in meetings with and briefings for Senior Management, TMRS committees, and the Board and its committees.

Respondents may identify additional project Deliverables, as applicable to the requirements, beyond the minimum set identified above.

Respondents are advised that the project Deliverables discussed above are **not** related to individual payment milestones; however, one or more may map to a single payment milestone. Certain Contractual Deliverables (as defined in A.3.11), upon written acceptance by TMRS, will trigger payment milestones.

C.4 PROJECT MANAGEMENT AND IMPLEMENTATION SERVICES

The Selected Vendor's Organizational Change Manager will report to the TMRS Project Manager. The Selected Vendor will report project status as described in Section C.3.6. The following project management-related areas are important to TMRS.

The Respondent must describe how their approach to project management ensures that:

- Project planning is part of normal daily activities
- Resource planning occurs in conjunction with TMRS management
- There is an established path for escalation of project issues
- Risk management is included as part of the normal process
- Project management is able to provide reports to TMRS business units and management on the progress of project objectives, to ensure continued project support
- The project plan is organized in a phased approach that provides achievable and demonstrable milestones and Deliverables. The engagement should be managed to meet specific milestones with an established method of reporting project status

The proposed Organizational Change Management Plan must confirm that:

- The Respondent has a demonstrated ability to understand and deliver realistic mission-critical change solutions
- The Respondent understands the ambitious nature of the schedule and will take ownership of tasks in a proactive manner
- The Respondent understands TMRS' vision and is able to align the Respondent's capabilities with TMRS' needs
- The Respondent understands they will be required to work with third-party vendors identified by TMRS
- The Respondent has a plan to successfully execute the Organizational Change Management plan accommodating social distancing and/or travel restrictions related to a pandemic response, such as COVID-19, if needed
- The Respondent has a plan that contemplates a significant portion of TMRS and participating Employer staff may work remotely and not report to an office

C.4.1 MULTI-PARTY RELATIONSHIP

All Respondents must understand and acknowledge TMRS will engage an Independent Verification and Validation (IV&V) vendor to assist with oversight of the PASMod Program. In addition, TMRS will engage other vendors to implement the Pension Employer Reporting System and the CRM System. As such, there will

be a multi-party relationship during this project among TMRS, the Selected Vendor for this RFP, and other selected vendors.

The IV&V vendor will help TMRS determine whether the plans, methods, and products delivered fulfill the defined requirements. The IV&V vendor will also examine project artifacts to determine whether all requirements have been met.

The IV&V vendor will work in partnership with TMRS project leadership to, among other responsibilities:

- Review project planning Deliverables to ensure they are sufficient and meet applicable project standards
- Review ongoing project processes, methods and activities
- Provide technical review and verification of key project milestones and Deliverables
- Provide independent review of project Deliverables against requirements
- Anticipate and identify project risks, and monitor the project risk management process
- Offer suggestions for problem and issue resolution
- Develop Independent Project Oversight Reports and deliver them to TMRS project leadership
- Provide monthly review and recommendations to TMRS project leadership regarding project status and risk anticipation, prevention, and mitigation

The IV&V vendor will review all project materials, including the selected Vendor's, and provide suggestions and comments in the same time frame as TMRS staff.

The IV&V vendor will be bound to reasonable commercial terms of confidentiality protecting any confidential or proprietary information belonging to the selected Vendor and its subcontractors. As such, no material will be limited in its distribution and/or restricted from review and discussion with the IV&V vendor.

C.4.2 PROJECT MANAGEMENT AND CONTROL METHODOLOGY

The Respondent must describe the methodology it will use to manage and control the project, including its change control methodology. The Respondent will also discuss project management tool(s) used to report the following:

- Changes in project scope/requirements
- Changes in project schedule and budget
- Changes in resource availability
- Charts depicting start date, end date, and duration of individual tasks
- The project's critical path
- Percent complete status of individual tasks
- Project risks and issues

C.4.3 Respondent Activities Before and After Meetings with TMRS Staff

The Selected Vendor will be required to provide minutes (or other documented output) of all meetings held with TMRS staff. They are to be provided to the TMRS Project Manager within two business days of each meeting, unless otherwise agreed to in writing.

C.4.4 Project Staffing

The Respondent must include a preliminary project staffing plan in its proposal.

The staffing plan must include time allocation estimates of Respondent personnel proposed for this engagement by phase. This should also include the staffing requirement for TMRS staff members.

Respondent’s staff will be expected to follow TMRS policies; this includes, but is not limited to, computer usage and security policies when accessing TMRS systems.

C.4.4.1 Organizational Change Manager

The Respondent’s proposed Organizational Change Manager will be the primary customer liaison, responsible for coordinating and scheduling activities/tasks and resolving issues. He/she will be responsible for working closely with TMRS’ designated Project Manager. The Respondent should identify what percent of time the Organizational Change Manager is expected to be assigned to the project and on-site.

The Respondent must agree its designated Organizational Change Manager will remain continuously assigned to the project for the duration of the project. Should a change be necessary due to one of the exceptions identified below, TMRS reserves the right to approve the replacement proposed by the selected Vendor, as well as review and approve the transition or succession plan to the new Organizational Change Manager.

C.4.4.2 Key Personnel

Key personnel must be identified in the staffing plan, and the Respondent must commit that these staff members will not be reassigned over the duration of the effort without TMRS’ prior written agreement. The Respondent should designate the percentage of time each key person is assigned to the TMRS project.

C.4.4.3 Replacement of Personnel

The skills of the replacement individual for any staff member who is removed from or leaves the project for any reason must match or exceed the replaced staff member in terms of skill level and experience. TMRS reserves the right to approve/reject the replacement prior to assignment, as well as at any time during the 90 days after the replacement begins work on the project.

Further, any replacement not occasioned by unexpected loss of the staff member must be assigned so as to overlap at least two weeks with the staff member being replaced to provide for a smooth, effective transition/transfer. In such an event, a transition/transfer plan must be provided to TMRS in writing two weeks before the start of the transition. In their proposals, Respondents must include a sample of such transition plans.

TMRS reserves the right to address individual Selected Vendor staff performance with the Selected Vendor Project Manager or the Selected Vendor’s executive team should the need arise during the project.

PART D TERMS AND CONDITIONS

D.1 GENERAL

Proposals:

TMRS may, but is not required to, reject a Proposal for violation of the requirements of this RFP.

TMRS is not and will not be under any obligation to accept, review, or consider any Proposal to the RFP, and is not and will not be under any obligation to accept the lowest offer.

This RFP is not an offer but a request to receive a Proposal. TMRS will consider a Proposal as an offer to implement the services set forth in the Proposal and in strict accordance with the requirements of this RFP.

Respondents agree that the contents of their Proposals are valid for six (6) months from the date of submission or until a contract with a Selected Vendor is fully executed, whichever is earlier. Expenses related to the production of a Proposal, or any subsequent presentation, are the sole responsibility of the Respondent.

TMRS reserves the right to retain all Proposals submitted, and to use any information contained in a Proposal, except as otherwise prohibited by law.

Respondents who submit proposals in advance of the deadline may withdraw, modify, and resubmit proposals at any time prior to the deadline for submitting proposals. Respondent must notify the TMRS Point of Contact, as identified in Section A.3.1, in writing if it wishes to withdraw its Proposal.

Firms submitting proposals pursuant to this request should understand and acknowledge that their proposals may be subject to release under the Texas Public Information Act ((Chapter 552 of Subtitle A of Title 5 of the Texas Government Code) “TPIA”). However, certain information may be confidential and fall under exceptions to disclosure, including, but not limited to copyrighted information, proprietary information, trade secrets, audit working papers, and where disclosure might cause substantial competitive harm to TMRS. Guidance on determining whether information is excepted from disclosure under the TPIA may be found in the Texas Public Information Handbook:

https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/open-government/publicinfo_hb.pdf

TMRS cannot prevent the disclosure of public documents and may be required by law to release documents that the Respondent considers to be confidential and proprietary. By submission of its Proposal, Respondent warrants and represents that all information that it, in good faith and with legally sufficient justification, considers to be properly excepted from disclosure under the TPIA will be clearly labeled as confidential upon submission to TMRS. The Firm’s signature as required in Section E.1, further reflects that all documents submitted and not marked “confidential,” shall be considered to be public information. All public information submitted by the Firm, and information that is considered to be public because it is not designated by the Respondent as confidential, in response to this RFP may be fully disclosed by TMRS without liability and without prior notice to or consent of the Respondent or any of its subcontractors or agents.

By submitting a Proposal, the Respondent acknowledges and agrees that (i) TMRS shall have no liability to the Respondent or to any other person or entity for disclosing information in accordance with the TPIA, and (ii) TMRS shall have no obligation or duty to advocate the confidentiality of the Respondent’s material to the Texas Attorney General, to a court, or to any other person or entity. In the event of a TPIA request, it is the Respondent’s sole obligation to advocate the confidential or proprietary nature of any information it provides to TMRS.

The Respondent further understands and agrees that, upon TMRS’ receipt of a TPIA request for the Respondent’s information, TMRS will provide the requestor the information provided in the Respondent’s

electronic file labeled as public information as required in Section A.3.2. If the Respondent fails to submit its confidential and/or proprietary information as described in Section A.3.2, TMRS shall consider all of the information to be public, and it will be released without notification to the Respondent upon receipt of a TPIA request.

Master Service Agreement:

No agreement with TMRS is binding until a contract has been signed by both parties. The final agreement may include the contents of the RFP, any addenda to this RFP, the successful Respondent's Proposal, and any other modifications determined by TMRS to be necessary prior to its execution by the parties.

Attached as EXHIBIT III is a copy of TMRS’ Master Services Agreement (MSA), which has the terms and conditions that will apply to all subsequent SOWs, license agreements, and maintenance or consulting agreements between the successful Respondent and TMRS. The MSA will control in the event of a conflict between any terms and conditions found in a licensing agreement, purchase order, acceptance of Contractual Deliverables, or other agreements. Respondent should review the MSA before submitting a proposal. No oral understanding or agreements shall be binding on either party.

D.2 INVOICING, PAYMENTS, AND TRACKING THEREOF

TMRS will make payments to the Selected Vendor once Contractual Deliverables are successfully accepted as listed in Table 5 – Payment Milestones below. Invoices for the Contractual Deliverables may be submitted only after each has been completed and formally accepted by TMRS.

The table below is provided to illustrate the sequence and type of payments TMRS will issue. The sum of the cost of all Contractual Deliverables will equal the total fixed cost of the project.

There is a significant difference between TMRS’ receipt of a Contractual Deliverable and TMRS’ acceptance of that deliverable. It must be understood that in most cases, TMRS will require a minimum of thirty (30) days to provide formal written acceptance of a Contractual Deliverable. Only upon receipt by the Selected Vendor of written acceptance from TMRS’ Director of Member Services, may the Contractual Deliverable be invoiced to TMRS. All invoices must include a copy of the signed acceptance(s) by TMRS. Payments of invoices by TMRS will be made within thirty (30) days of receipt of the invoice for an accepted Contractual Deliverable.

The Vendor should bear in mind the following terms:

- The “firm fixed price” will be defined in the contract resulting from this procurement based on the mandatory requirements.
- All prices quoted must be good for a period of one hundred eighty (180) days after the proposal submission due date to TMRS.

Table 5 – Payment Milestones includes each contractual deliverable, its acceptance criteria, and the magnitude of the payment to be associated with it. Within the cost proposal template, a similar table will be provided. Respondents are requested to complete this table accordingly.

Table 5 – Payment Milestones

Deliverable	Description / Acceptance	Percentage of Implementation Fees
Readiness Assessment	Delivery and TMRS Acceptance of Assessment results	15%

Deliverable	Description / Acceptance	Percentage of Implementation Fees
Organizational Change Management Plan	Plan Setup, Administration, and TMRS Acceptance of complete detailed work plans and all other project setup Deliverables	15%
Execution of Organizational Change Management Plan	Completion of Organizational Change Management activities as specified by the Organizational Change Management Plan and validated by TMRS as complete. This may be completed in phases.	25%
Comprehensive Training Program	Delivery and TMRS Acceptance of complete training program	15%
Execution of Training Program	Completion of training as specified by the Training Program and validated by TMRS as complete. This may be completed in phases.	20%
Communication Plan	Delivery and TMRS Acceptance of complete detailed Communication Plan	5%
Execution of Communication Plan	Completion of communication activities as specified by the Communication Plan and validated by TMRS as complete. This may be completed in phases.	5%

D.3 EXCEPTIONS TO TERMS AND CONDITIONS

If Respondent(s) takes exception to any term or condition set forth in this RFP or the Attachments, Respondent’s exceptions must be clearly identified in their Proposal in Section E.3. Such exceptions shall be considered in the evaluation and award process. An exception is deemed rejected and does not alter the requirements of the RFP in any way unless otherwise stated by TMRS in the SOW signed in accordance with the MSA.

PART E RESPONDENT PROPOSALS

Respondents are advised to read each part of the RFP to ensure proposals are as responsive as possible. TMRS has provided an RFP checklist as an aid, but it is Respondents' responsibility to ensure their proposals include all necessary elements.

E.1 PROPOSAL COVER LETTER

The Proposal Cover Letter must be included and must be signed by a person authorized to legally bind the Respondent. The letter should include a statement indicating that the Respondent meets the minimum qualifications for both the Firm and for the Proposed Project Manager.

E.2 RESPONDENT CERTIFICATIONS AND AFFIRMATIONS

In this section, the Respondent must include, in addition to the Firm "Guarantees and Warranties" on Respondent's company letterhead, the following statements of affirmation:

- A statement regarding the Respondent's legal structure (e.g., a LLC, a corporation), state of organization, and principal place of business
- The name(s), email(s), and phone number(s) of contacts who have authority to answer questions regarding the Respondent's proposal
- A statement (or affirmation) that the Respondent understands that upon TMRS' receipt of a TPIA request, TMRS will provide the requestor the information provided by the Firm electronically that the Firm has labeled "Publicly Available" information without any prior notification to the Firm.
- A statement (or affirmation) that the Respondent understands and agrees that by submitting a Proposal, (i) TMRS shall have no liability to Respondent or to any other person or entity for disclosing information not marked confidential or in accordance with the TPIA, (ii) all public information submitted by Respondent, and information that is considered to be public because it is not designated by the Firm as confidential, in response to this RFP may be fully disclosed by TMRS without liability and without prior notice to or consent of Respondent or any of its subcontractors or agents, and (iii) TMRS shall have no obligation or duty to advocate the confidentiality of the Respondent's material to the Texas Attorney General, to a court, or to any other person or entity.
- A statement (or affirmation) that the Respondent understands and agrees that if Respondent is selected to perform services for TMRS, that the Agreement for such services will be on terms and conditions substantially similar to those set forth in the Master Services Agreement in Exhibit III.
- A statement affirming the information presented in the Proposal is complete, true, accurate, and in full compliance with the RFP, except as specifically indicated in the Proposal.
- Affirmation that all requirements expressed in this RFP must be met by the Contract Deliverables and services delivered by the Respondent, if selected, unless an explicit written agreement to delete one or more of the RFP's provisions is signed by both TMRS and the Respondent.
- Certification that the Respondent is in good financial standing, not in any form of bankruptcy, and current in the payment of all taxes and fees. Identify any occurrence or anticipated occurrence in the next year that might reasonably be expected to have a material effect upon the Respondent's ability to meet its contractual obligations to TMRS. Occurrences may include, but are not limited to, the following:
 - Disposal of major assets;

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- ❑ Any major computer or system upgrade or conversion;
 - ❑ Gain or loss of clients;
 - ❑ Insolvency or the imposition of, or notice of the intent to impose, a receivership, conservatorship, or special regulatory monitoring or any bankruptcy proceedings, voluntary or involuntary, or reorganization proceedings;
 - ❑ Reorganization, reduction and/or relocation of key personnel;
 - ❑ Known or anticipated merger or acquisition;
 - ❑ Known, planned, or anticipated stock sales;
 - ❑ Any litigation filed against;
 - ❑ Any sale or merger; or
 - ❑ Significant change in market share or service focus.

Please note: If an occurrence of the above is expected to not have a material effect upon the Respondent's ability to meet its contractual obligations to TMRS, please explain.

- The Respondent must include a statement indicating they can certify each of the following seven certifications:
 1. Certification as to whether the Respondent has ever had a contract terminated for default or cause. If so, the Respondent must submit full details, including the other party's name, address, and telephone number.
 2. Certification as to whether the Respondent has ever been assessed any penalties in excess of fifty thousand dollars (\$50,000), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the Respondent must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
 3. Certification as to whether a client has ever demanded payment of a performance bond or a bid bond of the Respondent. If so, provide the name of the client, client contact information, and an explanation of the circumstances.
 4. Certification as to whether the Respondent has ever been, or is currently, the subject of any governmental action limiting the right of the Respondent to do business with that entity or any other governmental entity.
 5. Certification as to whether trading in the stock of the offering company has ever been suspended, if applicable. If so, provide the date(s) and explanation(s).
 6. Certification as to whether the Respondent, any officer of the Respondent, or any owner of a twenty percent (20%) interest or greater in the Respondent has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
 7. Certification as to whether the Respondent, any officer of the Respondent, or any owner with a twenty percent (20%) interest or greater in the Respondent has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any of the last seven (7) certification items above is affirmative, the Respondent must provide complete details about the matter. An affirmative answer to any of these items will not automatically disqualify a Respondent from consideration. However, at the sole discretion of the evaluation committee, such an answer and a review of the background details may result in a rejection of the Respondent's proposal. The committee will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the Respondent's performance on this project, and the best interests of TMRS.

E.3 ASSUMPTIONS AND EXCEPTIONS, IF ANY

In this section, the Respondent must identify and discuss all assumptions it has made in preparing its technical and cost proposals. Further, the Respondent must state that there are no further assumptions related to meeting requirements of the RFP other than those enumerated in this section of the proposal.

The Respondent should include any assumptions it has made with regard to the amount of time necessary to be on-site at the TMRS offices during the project, and the amount of time necessary for training.

Any assumptions mentioned elsewhere in the Respondent’s proposal will not be valid unless they are also listed in this section.

In this section, the Respondent must provide any exceptions to the requirements of the RFP, if any.

Any exceptions mentioned elsewhere in the Respondent’s proposal will not be valid unless they are also listed in this section. An exception is deemed rejected and does not alter the requirements of the RFP in any way unless explicitly accepted by TMRS in writing and signed by an authorized representative. Exceptions allowed by TMRS in writing shall constitute alterations to the requirements of this RFP, but only to the extent so stated in the TMRS writing.

E.4 MSA AND WARRANTY LIMITATIONS, IF ANY

In this section of the Proposal, the Respondent must include the TMRS MSA with any tracked changes and comments, if any, or state that the Terms and Conditions are acceptable.

E.5 FIRM QUALIFICATIONS

This section shall include details on the experience of the Respondent. Respondents will complete Table 6 and provide information related to their company and staff that demonstrates their qualifications to successfully manage the organizational change activities for TMRS’ PASMod Program.

Table 6 – Respondent Company Summary

Company Name	
Principal Office Location	
Type of Organization and Where Organized	
Other Offices Where Work will be Performed for TMRS	
Current Number of Employees	
Five Year Average of Staffing Size	
Number of Years in Business	
Total Number of Projects Completed with Similar Scope to This RFP	

<p>Total Number of Organizational Change Projects currently in Progress (i.e., Projects between Initiation and Go-Live Date)</p>	
<p>Total Number of Organizational Change Projects completed in the last 5 years</p>	

E.6 CLIENT REFERENCES

The Respondent must provide a representative client list that includes the year the Organizational Change Management Plan was implemented or notes the project status and expected implementation date.

The details of the Respondent’s experience relevant to the project shall include a summary of the Respondent’s experience over the past five (5) years in implementing a successful Organizational Change Management Plan.

Respondents should submit a list of at least three (3) references with projects completed within the past five (5) years. All references may be contacted by TMRS to verify the Respondent’s claims. Respondents are advised to ensure that the contact person’s telephone number is current and that each reference contact is willing to discuss the Respondent’s performance with the evaluation committee.

Respondents are encouraged to include more than three references if they wish. If subcontractors are being proposed to assist the Firm to provide services in this RFP, preference will be given to Respondents who can cite multiple projects on which the Respondent/subcontractor team being proposed to TMRS previously collaborated.

Reference information should be provided by using the form on the following page. Copy the form as necessary to provide profiles of all client references.

Form 1 – Respondent Client Reference Form

TMRS ORGANIZATIONAL CHANGE MANAGEMENT – RESPONDENT CLIENT REFERENCE			
Reference #:	Respondent Name:	Project Name:	
Client:		Client Address:	
Type of Organization:			
Client Phone:			
Contact Name:		Contact Address:	
Contact Title:			
Contact Phone:		Contact Email Address:	
Start Date:	End Date:	Initial Project Cost:	Final Project Cost:
Project Summary (business problem, scope, approach, resources applied):			
Subcontractors Supporting the Referenced Project –			
Subcontractors:		Roles:	
Similarity to TMRS Project:			
List all Respondent staff members proposed to TMRS who also supported the referenced project:			
Staff Member Name:	Proposed Role for TMRS:	Role on Referenced Project:	

E.7 FINANCIAL INFORMATION

Identify any legal actions, lawsuits, arbitration, or formal protests related to projects in which the Respondent is currently involved as a defendant at the time the Proposal is submitted. Additionally, identify any other such actions in which the Respondent has been involved during the past five (5) years.

Any delisting of Respondent’s stock must be disclosed and described, if applicable.

Any changes in corporate ownership, changes in chief executive officer, chief financial officer, chief operating officer, or similar positions in the past 5 years or projected in the next 6 months must be described.

The Respondent must inform TMRS if any client used as a reference has a financial relationship with the Respondent whereby the client may receive any sort of compensation, including but not limited to reduction in fees, commission, and/or credits based on references leading to sales of Respondent's products or services.

E.8 PROJECT STAFFING

In this section, the Respondent must provide detailed descriptions of how the Respondent’s team experience will meet the project requirements.

The Respondent must designate a single Organizational Change Manager to represent and oversee the project. This person will serve as the contact point for all business matters relating to the project.

Respondents shall include the résumés of all key employees, and any other proposed staff members who are identified by name in the proposal. Those résumés must describe in detail the employee’s experience in similar efforts as well as past education and training.

Respondents must also confirm in this section of the proposal their understanding that:

- Personnel whose names and résumés are submitted in the proposal shall not be removed from this project without prior written approval of TMRS. Substitute or additional personnel shall not be used for this project until a résumés is received and approved by TMRS.
- TMRS shall have the right to request the removal of any Respondent’s staff from all work on this project immediately.
- The replacement for any staff member who is removed from or leaves the project for any reason must match or exceed the replaced staff member in terms of skill level and experience and subject to TMRS approval.

E.9 PROJECT SCOPE

The Proposal should contain the Respondent’s response to the project scope and the following documents:

- ATTACHMENT 1 HIGH LEVEL WORK PLAN**
- ATTACHMENT 2 SAMPLES OF DELIVERABLES**
- ATTACHMENT 3 SAMPLES OF PREVIOUSLY USED STATUS REPORTS**

E.10 COST PROPOSAL

The cost proposal shall identify all costs to satisfy the requirements of this RFP. It is recognized that post-proposal negotiations may result in some modifications to the by-phase costing contained in the Proposal.

The Respondent should bear in mind the specific terms and conditions presented in 0 when preparing its cost schedules. In addition, TMRS provides the following reminders:

- The cost proposal must include a summary, by staff position, of the number of hours and the hourly rate for all personnel included in the proposal.
- The cost proposal must include potential pricing differences based on the services being performed on-site vs. remotely, and also take into account any potential pricing differences if a significant portion of TMRS and participating Employer staff work remotely, and do not report to the office.
- Respondent’s cost information will be evaluated on the basis of its consistency with the information provided in the Respondent’s Proposal.
- Although the lowest overall price may not necessarily be the primary determining factor for award, TMRS will make every effort to substantiate prices for products and services to ensure that those prices are considered fair and reasonable.

Each payment will be tied to **Contractual Deliverables payment points** as defined by TMRS. Invoices for the Contractual Deliverables may be rendered only after each has been completed and formally accepted by TMRS.

PROPOSED PROJECT PAYMENT SCHEDULE

This section should include the completed cost schedule based on the TMRS parameters provided in Section D.2. The costs provided should correspond to the mandatory cost components. TMRS will only approve payment based on accepted Contractual Deliverables. Respondent should enter the hourly rate used for all change orders impacting the project.

E.11 PROPOSAL EVALUATION

TMRS will select the proposal that represents the “best value.” Proposals will be evaluated based on factors set forth in this RFP to determine the proposal most advantageous to TMRS and on the following criteria:

- Vendor background and experience
- Qualifications and experience of proposed vendor staff
- Organizational Change Management approach and sample Deliverables
- Documentation and training approach
- Cost

PART F ATTACHMENTS

APPENDIX A. List of Key Personnel

EXHIBIT I: Notice of Intent (Template)

EXHIBIT II: Firm Guarantees and Warranties (Template)

EXHIBIT III. Sample Master Services Agreement

EXHIBIT IV. TMRS Non-Disclosure Agreement

APPENDIX A. LIST OF KEY PERSONNEL

TMRS Board of Trustees

Bill Philibert, Chair	David Landis, Vice Chair
Julie Oakley	Jesús A. Garza
Anali Alanis	Juan Diego “Johnny” Huizar

TMRS Executive Management

David Gavia	Executive Director
Eric W. Davis	Deputy Executive Director
T.J. Carlson	Chief Investment Officer
Christine Sweeney	General Counsel
Rhonda H. Covarrubias	Director of Finance
Leslee Hardy	Director of Actuarial Services
Debbie Muñoz	Director of Member Services
Leslie Ritter	Director of Human Resources
Sandra Vice	Director of Internal Audit
Bill Wallace	Director of Communications
Dan Wattles	Director of Governmental Relations
Scott Willrich	Director of Information Resources
Jesse Pittman	Senior Project Manager

Other Key Staff

Tricia Solis	Business Process Analyst
Eric Obermier	Assistant Director of Information Resources
Pete Krnavek	Information Systems Manager
Jennifer Andrews	Manager – Member Services

EXHIBIT I: NOTICE OF INTENT (TEMPLATE)

[FIRM'S LETTERHEAD]

[DATE]

Mr. Jesse Pittman
Texas Municipal Retirement System
Via Email: TMRS-OCM-RFP@tmrs.com

NOTICE OF INTENT

Our Firm will be submitting a proposal for Organizational Change Management Services to the Texas Municipal Retirement System (TMRS), as set forth in the request for proposal (RFP) dated June 29, 2020.

By our signature below, we affirm that we meet the mandatory requirements as set forth in Section A.2.1.1 and as noted below:

- a) Our Firm has no conflict of interest with regard to any prior or current relationship or contact that our Firm, a lobbyist, or any other third party which has been retained by our Firm in any manner has had with TMRS Board of Trustees or staff listed in Appendix A of the RFP.
- b) Our Firm will adhere to the instructions in the RFP on preparing and submitting the proposal.
- c) Our Firm has a record of quality work that can be confirmed with former clients.
- d) Our Firm has conducted at least three engagements of similar scope with other clients.
- e) Our Firm maintains—or asserts it will obtain and maintain if it is the selected Firm—insurance coverage, as specified in Master Services Agreement (Exhibit III).

Our completed proposal will be sent to you by no later than 5:00 p.m. CT on July 31, 2020. Our official contact person and related information for this RFP is:

Name and Title

Email Address

Phone Number

Sincerely,

Name of Authorized Firm Representative

EXHIBIT II: FIRM GUARANTEES AND WARRANTIES – TEMPLATE

[FIRM'S LETTERHEAD]

The Firm certifies it can and will provide and make available, as a minimum, all services set forth in Part C "Project Scope."

- A. Firm warrants that it is willing and able to comply with the Master Services Agreement set forth in Exhibit III.

- OR -

Firm warrants that it is willing and able to substantially comply with the Master Services Agreement set forth in Exhibit III with proposed changes and comments tracked and attached to our Proposal.

- B. Firm warrants that all information provided by it in connection with this Proposal is true and accurate.
- C. By submitting a Proposal, we acknowledge that we have read this RFP, understand it, and agree to be bound by its terms and requirements.
- D. Exceptions to or additional information regarding the above warranties are noted as follows:

Signature

Date

Name and Title (typed or printed)

EXHIBIT III. MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT (“**Agreement**”) is entered into by and between the Texas Municipal Retirement System, a Texas public retirement system (“**TMRS**”), and _____, Inc., a _____ corporation (“**Consultant**”), and will be effective for all purposes as of the date this Agreement is signed by the latter party to do so below (“**Effective Date**”).

WHEREAS TMRS issued a Request for Proposal for Organizational Change Management Services dated _____, 2020 (the “RFP”), attached as **Exhibit A** and incorporated by reference to this Agreement; and

WHEREAS Consultant responded to such RFP with Consultant’s Response to Proposal and subsequent related documents (the “RFP Response”), attached as **Exhibit B** and incorporated by reference to this Agreement; and

WHEREAS the Board of Trustees of TMRS selected Consultant to provide the Organizational Change Management Services for TMRS as set forth in the RFP and the RFP Response, and related services, and the parties wish to agree to certain terms and conditions that will consistently apply to the parties throughout the term of this business relationship;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. SERVICES

1.1 Services to be Provided by Consultant. Consultant will provide the services (“Services”) set forth in the attached RFP and any other Statement of Work (SOW) or related agreements as may be hereafter executed by the parties pursuant to the terms and conditions of this Agreement. All Services shall be performed to the satisfaction of TMRS.

1.2 TMRS Information Required. TMRS will provide to Consultant the information, resources, cooperation, and other assistance reasonably necessary to perform the Services.

1.3 Consultant Personnel. Consultant personnel providing the Services will be identified in the Consultant’s proposal as per the RFP requirements, terms, and conditions.

2. TERM. The term of this Agreement shall commence on the Effective Date and shall continue for the duration of the services in the RFP unless otherwise terminated pursuant to Section 14 below. TMRS, may, at its option, extend the term of this Agreement for one year.

3. COMPENSATION. Consultant’s fees for the Services are set forth in the RFP Response. TMRS shall pay Consultant compensation for performance of the Services within thirty (30) days after receipt of invoice with appropriate documentation. There will be no reimbursable travel or delivery expenses to provide the Services.

Invoices must include documentation of approval by the TMRS Project Manager or dates of Service and details of Services provided by individual personnel. Payment for delivery of Services rendered shall not be unreasonably withheld or delayed. If TMRS disapproves any amount submitted for payment by Consultant,

TMRS shall give Consultant specific reasons for disapproval in writing. Upon resolution of any disputed charges, Consultant shall re-invoice such remaining charges to TMRS.

4. RELATIONSHIP OF THE PARTIES. For all purposes of this Agreement, and notwithstanding any provision of this Agreement to the contrary, Consultant is an independent contractor and is not an employee, partner, joint venturer, or agent of TMRS. As an independent contractor, Consultant is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort related to its business, including, but not limited to, workers' compensation insurance. Consultant is solely liable for the acts and omissions of its employees and agents. Consultant has no authority to make any statement, representation, or commitment of any kind or to take any action binding upon TMRS, without TMRS' prior written authorization. Neither the Consultant, nor any employees or subcontractors of the Consultant, shall be deemed to be employees of TMRS for any purpose whatsoever. Consultant is solely responsible for all work performed under this Agreement and assumes prime contractor responsibility for all Services offered and delivered under this Agreement.

5. WARRANTIES, REPRESENTATIONS, AND DISCLAIMERS

5.1 Consultant. In this Section 5.1, the term "Consultant" includes all Consultant Personnel. Consultant warrants and represents the following:

5.1.1 Compliance with Laws and Policy. That Consultant shall perform the Services and conduct all operations in conformity with all federal, state, and local laws, rules, regulations, and ordinances applicable to Consultant in its capacity as a service provider.

5.1.2 Licenses and Certifications. That Consultant has or will obtain at its own cost, prior to providing the Services, any and all approvals, licenses, filings, registrations, and permits required by federal, state, or local laws, regulations, or ordinances, required for the performance of the Services.

5.1.3 Performance. That the Consultant Personnel providing the services under this Agreement have the experience and knowledge necessary to qualify Consultant for the particular duties to be performed under this Agreement. Consultant warrants that all Services performed under this Agreement shall be performed consistent with generally prevailing professional industry standards.

5.1.4 Cooperation. That Consultant shall cooperate with TMRS and all TMRS Personnel in the performing the Consultant services, completing the project, and reasonably coordinating with other applicable modernization activities as contemplated by the TMRS RFP and requested by TMRS.

5.1.5 Authority. That if (i) it is a corporation or limited liability company, then it is a corporation duly organized, validly existing, and in good standing under the laws of the State of Texas, or a foreign corporation or limited liability company duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary corporate power and has received all necessary corporate approvals to execute and deliver this Agreement, and the individual executing this Agreement on behalf of Consultant has been duly authorized to act for and bind Consultant; or (ii) if it is a partnership, limited partnership, or limited liability partnership, then it has all necessary partnership power and has secured all necessary approvals to execute and deliver this Agreement and perform all its obligations hereunder, and the individual executing this Agreement on behalf of Consultant has been duly authorized to act for and bind Consultant.

5.1.6 Conflict of Interest. That Consultant has no direct or indirect personal or private commercial or business relationship, unrelated to the Services, with any other party to a transaction with TMRS that could reasonably be expected to diminish the independence of judgment being provided in the performance of Consultant's responsibilities to TMRS; no personal or private business or commercial relationship with any third party, including a TMRS Trustee or employee that has not been disclosed by Consultant to TMRS that would violate professional standards or create any appearance of impropriety; or presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with Company's ability to perform the Services.

5.1.7 No Violations. The terms of this Agreement do not violate any obligations by which Consultant is bound, whether arising by contract, operation of law, or otherwise. This Agreement constitutes a legal, valid and binding agreement of Consultant enforceable against Consultant in accordance with its terms except as limited by bankruptcy, insolvency, receivership, and similar laws of general application. The execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of Consultant.

5.1.8 No Gifts. Consultant has not given, offered to give, nor does it intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a TMRS Trustee or employee in connection with this Agreement, except as permitted under the TMRS Code of Ethics, Chapter 572, Government Code or Chapter 36, Penal Code.

5.1.9 Israel Boycott Prohibition. Consultant does not boycott Israel and will not boycott Israel during the term of this Agreement.

5.1.10 PIA Compliance. Company has not knowingly or intentionally failed to comply with Subchapter J, Chapter 552, Texas Government Code (which chapter is known as the Texas Public Information Act, or "PIA").

5.1.11 Other. Consultant agrees to notify TMRS immediately if any of the representations or warranties described in this Article 5 change or are no longer true.

5.2 TMRS. TMRS warrants and represents the following:

5.2.1 Authority. It is a public retirement system of the State of Texas and that it is lawfully authorized to enter into this Agreement. The Executive Director of TMRS has the requisite authority to act for and bind TMRS.

5.2.2 Information Accuracy. To ensure the most accurate and updated information, Client will submit to Consultant all information in Client's control necessary for Consultant to perform the services covered by this Agreement. Client is responsible for the accuracy and completeness of any and all Client information that is submitted to Consultant. In addition, Client will promptly notify Consultant of any material changes and shall respond promptly to requests by Consultant for information necessary to perform services hereunder.

6. DELIVERABLES AND USE OF DOCUMENTS

6.1 TMRS Information. All TMRS Confidential Information (defined in Section 9), other resources and tools furnished to Consultant by TMRS and used by Consultant in performing the Services shall remain the exclusive property of TMRS ("TMRS Information").

6.2 TMRS License. TMRS grants to Consultant a license to use such TMRS Information to provide the Services. Any Consultant Deliverables or Work Product (defined in Section 7.4.3 below) will be considered "work for hire" pursuant to the U.S. copyright Act, 17 U.S.C. §101 et seq. or if not considered "work for hire," Consultant hereby assigns all of its ownership, right, title, and interest in and to all Work Product or Deliverables, however described in the RFP or an SOW, including, without limitation: (i) all copyrights, patents, rights in mask works, trademarks, trade secrets, and other Intellectual Property Rights and all other rights that may hereafter be vested relating to such Work Product or Deliverables arising under U.S. or any other law, together with all national, state, provincial, and common law registrations, applications for registrations, and renewals and extensions thereof; (ii) all goodwill associated with Work Product; and all benefits, privileges, causes of action, and remedies relating to any of the foregoing, whether before or hereafter accrued (including without limitation the exclusive rights to apply for such registrations, renewals, and/or extensions, to sue for all past infringements or violations of any of the foregoing, and to settle and retain proceeds from any such actions). In addition to the foregoing transfers and allocations of rights, Consultant hereby irrevocably transfers and assigns to TMRS any and all "moral rights" Consultant may have in or with respect to the Work Product. Consultant also hereby forever waives and agrees that it will never, even after termination of any SOW or this Agreement, assert any of the following against TMRS or its employees, officers, directors, end users, licensees, or sub-licensees

(direct and indirect): (i) any moral rights with respect to the Work Product; and (ii) any moral rights with respect to the Licensed Programs (defined in Section 7.4.2 below). “Moral Rights” include any rights to claim authorship, or to withdraw from circulation or control the publication or distribution of work of authorship, and any similar right, existing under judicial or statutory law of Texas or the United States or any subdivision of the United States or under any treaty, regardless of whether or not such right is described as a “moral right.”

6.3 Return of Materials. Upon termination or expiration of this Agreement, Consultant shall either (i) surrender to TMRS all TMRS Information, Work Product, and Deliverables, whether complete or incomplete, on which Consultant worked prior to the termination of this Agreement in a format that is nonproprietary, or (ii) reasonably assist TMRS with the transition of the TMRS Information, Work Product, and Deliverables to another system.

6.4 Survival. The rights and obligations of this Section 6 will survive any termination or expiration of any SOW or this Agreement.

7. CONSULTANT LICENSING AND ESCROW

7.1 Scope of License. Consultant hereby grants to TMRS a nonexclusive license to install, execute, modify, create derivative works of, reproduce, and use Licensed Programs in conjunction with the Services for its own internal data processing and computing needs and to make such copies of each component of the Licensed Programs as needed for such use, including copies for archival, disaster recovery, testing, training, and backup purposes. Such use extends to all TMRS Personnel, to TMRS participating employers, to TMRS plan participants (for example, active and inactive members and retirees), and TMRS contractors and agents. The license grant provided herein shall not be deemed to limit TMRS’ ownership of any Work Product.

7.2 Defined Terms.

7.2.1 “Intellectual Property Rights” means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights, or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.

7.2.2 “Licensed Programs” means all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Consultant (a) prior to providing any Services or Work Product to TMRS and prior to receiving any documents, materials, information or funding from or on behalf of TMRS relating to the Services or Work Product, or (b) after the Effective Date of the applicable SOW if such tangible or intangible items or things were independently developed by Consultant outside Consultant’s provision of Services or Work Product for TMRS hereunder and were not created, prepared, developed, invented, or conceived by any TMRS personnel who then became personnel to Consultant or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Consultant or its personnel, any portion of same was created, invented, or conceived by such person while affiliated with TMRS.

7.2.3 “Work Product” means any and all Deliverables produced by Consultant for TMRS under this Agreement or an SOW issued pursuant to this Agreement, including any and all tangible or intangible items or things that have been or will be prepared, created, developed, invented or conceived at any time following the effective date of the Agreement, including but not limited to any (i) works of authorship (such as manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer programs, computer software, scripts, object code, source code, or other programming code, HTML code, flow charts,

notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, formulae, processes, algorithms, data, information, multimedia files, text web pages, or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or Deliverables to be provided to TMRS under the Agreement or a Statement of Work, and (viii) all Intellectual Property Rights in any of the foregoing, and which are or were created, prepared, developed, invented, or conceived for the sole use or benefit of TMRS in connection with this Agreement or an SOW, with funds appropriated by or for TMRS or TMRS' benefit, or using TMRS' equipment supplies, facilities, or trade secrets: (a) by any Consultant personnel or TMRS personnel, or (b) any TMRS personnel who then became personnel to Consultant or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Consultant or its personnel, any portion of same was created, invented, or conceived by such person while affiliated with TMRS.

8. CHANGE ORDERS

8.1 TMRS may authorize changes to the Services. Such changes shall be made by written change order. Consultant shall not be entitled to payment beyond the Fees for any work performed work outside the scope of the Services without a written change order signed by TMRS. Only TMRS shall have the authority to issue a change order; however, Consultant may make reasonable requests for the issuance of a change order for work Consultant in good faith believes is outside of the scope of the Services.

8.2 Change Order Process. In the event TMRS requests a change to the scope of the project, the TMRS project manager shall deliver such request (a "Change Order Request") in writing to the Consultant's Project Manager. Within five (5) Business Days of the receipt of such Change Order Request, Consultant shall provide a written change order proposal (a "Change Order Proposal") in response to the Change Order Request that shall include: (i) a description of the change, the tasks involved in completing the work requested, and the level of effort involved in implementing the change; (ii) the estimated date by which such change will be completed; (iii) any consequential changes that will need to occur in the Project Work Plan; (iv) the total flat fee cost for implementing such change based upon the hourly change order rates determined in the Agreement; and (v) the latest day by which written approval can be given to Consultant so that Consultant can implement the change in line with Consultant's Proposal. In the event the Consultant desires to initiate a change to the scope of the project, it shall provide to TMRS a Change Order Proposal that meets the foregoing requirements and also clearly explains the basis under this Agreement that gives rise to the need for a change. Consultant shall bear all costs in preparing the Change Order Proposal. TMRS shall have no obligation to accept or agree to any Change Order Proposal. A Change Order Proposal that is acceptable to TMRS and Consultant shall be signed by the TMRS Executive Director (or designee) and the Consultant Project Director (or designee), and then submitted to TMRS. A Change Order Proposal shall not become effective until the Change Order Proposal is approved by TMRS. Prior to preparing a Change Order Proposal, Consultant shall first determine whether the proposed change can be reasonably accommodated within the existing level of and combination of resources, not including overtime or additional work nor detracting such resources from their existing responsibilities, then being used by Consultant in performing its obligations hereunder, and if so, the charges payable by TMRS for the project shall not be increased. To the extent a change proposed by either Party will reduce the Consultant's cost to fully perform its obligations hereunder, Consultant shall not be required to reduce its fee but will issue a credit memo that reflects the fees and costs associated with the Services and Deliverables that will not be provided. TMRS shall be permitted to apply such credits against future Change Orders. Consultant shall maintain a change request reporting mechanism and provide a change control plan/methodology for the duration of the project. The fees specified in a Change Order Proposal shall be tied to the payment points set forth in the Agreement.

8.3 **No Out-of-Scope Services.** Notwithstanding anything herein to the contrary, Consultant acknowledges that it will have no authority to perform services or incur expenses that exceed the scope of the Services or the scope of the Fees set forth in the Service Schedule, and TMRS will have no obligation to pay for services or expenses that exceed such scope of the Services or the Fees unless, and then only to the extent, such service or expense is incorporated into a fully executed Change Order.

8.4 **Consultant-Caused Delays.** All delays, to the extent caused by Consultant, shall be the responsibility of Consultant. No Change Order Proposals will be approved by TMRS that provide Consultant additional compensation or relief from any deadline to the extent such additional compensation or deadline relief is sought as a result of a delay caused by Consultant.

8.5 **TMRS-Caused Delays.** Except for TMRS' failure to pay undisputed amounts owed to Consultant under this Agreement, TMRS' failure to perform its responsibilities set forth in this Agreement shall not be deemed to be grounds for termination by Consultant. Consultant will not be liable for any default or delay in the performance of its obligations under this Agreement to the extent such default or delay is caused by nonperformance of TMRS' obligations under this Agreement, provided Consultant provides TMRS with reasonable written notice of such nonperformance and Consultant uses commercially reasonable efforts to perform notwithstanding TMRS' failure to perform. In addition, if TMRS' nonperformance of its responsibilities under this Agreement materially increases the time required for Consultant's performance or Consultant's cost of performance, Consultant may request an equitable extension or time and/or increase in fee via the Change Order process set forth.

9. CONFIDENTIALITY. Consultant acknowledges and agrees that all information received from TMRS, or from its employer users, consultants, or other vendors (individually a "Third Party" and collectively, the "Third Parties") relating to TMRS, including but not limited to, its members (including retirees, annuitants, and beneficiaries), employer users, assets or investments or other stakeholders or Third Parties (collectively, "Confidential Information") may be proprietary, confidential, or privileged commercial and financial property of TMRS or such Third Parties. Consultant agrees that all Confidential Information received by or obtained by Consultant (whether received from TMRS or from any Third Party) shall be received in confidence and shall be considered and kept confidential by Consultant.

Confidential Information may not be used by Consultant except for the sole purpose of providing the Services to TMRS under the Agreement, or any SOW pursuant to this Agreement. Consultant covenants and agrees that it will not use any Confidential Information for any other purpose. Consultant agrees not to disclose any Confidential Information to any person (other than Consultant's employees responsible for matters relating to TMRS) or entity without the prior written consent of the TMRS Executive Director or his designee, provided that Consultant may disclose such Confidential Information to the extent that Consultant is required by law, regulation, or an order of a court of competent jurisdiction to disclose such Confidential Information, in which event Consultant shall provide TMRS with prompt notice, if legally permissible, of such requirement so that TMRS may seek an appropriate protective order or other appropriate remedy (as to which Consultant agrees to reasonably cooperate). If any third person or entity requests or seeks to compel Consultant to disclose or produce any information, including without limitation any Confidential Information, provided to Consultant by, through, or on behalf of TMRS, or claims an entitlement to any such information on the grounds that such information is alleged or claimed to be generally available to the public or to constitute in whole or in part a public record, document, or report under applicable law, Consultant agrees to notify TMRS within two (2) business days of such request and to provide TMRS adequate opportunity to request a legal opinion or to consent to or seek to prevent such disclosure through protective order or other appropriate remedy.

Consultant acknowledges that all reports created by it for TMRS and other information provided by it to TMRS are presumed to be public records and may be subject to public disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code (the "PIA"), unless an exception applies, and that oral discussions regarding the reports, information, and advice rendered by Consultant may be conducted in meetings of the TMRS Board of Trustees or its committees that are open to the public under the Texas Open Meeting Act ("TOMA"), Chapter 551 of the Texas Government Code. Consultant acknowledges and agrees

that TMRS shall have no liability to Consultant or any other person or entity for disclosing information in accordance with the PIA or the TOMA.

Notwithstanding the provisions of this Agreement regarding “Dispute Resolution,” Consultant further acknowledges and agrees that any misuse of TMRS’ Confidential Information would cause substantial and irreparable harm to TMRS and that a court of competent jurisdiction may immediately enjoin any material breach of the provisions of this Agreement regarding use of Confidential Information without requiring proof of irreparable injury as same should be presumed.

10. INDEMNITY. Consultant shall indemnify, hold harmless, and defend TMRS, its TRUSTEES, officers, employees, agents, and representatives, from and against all liabilities, damages, claims, demands, actions (legal or equitable), and ALL REASONABLE costs and expenses, including without limitation attorneys’ fees, of any kind or nature (collectively “Loss” or “Losses”), arising from Consultant’s ACTUAL OR ALLEGED (A) performance or nonperformance of the Services; (B) GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CONSULTANT, OR ANY ONE OR MORE OF ITS EMPLOYEES, OFFICERS, DIRECTORS, AFFILIATES, CONTRACTORS, LICENSEES, OR AGENTS; OR (C) infringement of intellectual property rights, or misappropriation or theft of trade secrets by Consultant, its principals, partners, members, directors, trustees, officers, employees, agents, or representatives relating to the performance of this Agreement.

Consultant shall (i) have the obligation to undertake the defense of such claim, process, or other legal proceeding by representatives of its choosing, reasonably satisfactory to TMRS, at Consultant’s expense; provided, however, that TMRS may participate in the defense with counsel of its own choosing and at its own expense, and (ii) pay any final judgment entered against TMRS or any settlement agreed to in writing by Consultant on such issue in any such suit or proceeding. In the event Consultant fails to defend such claim in good faith and diligently, TMRS shall have the right to undertake the defense, compromise, or settlement of such claim on behalf of and for the account and risk of Consultant and at Consultant’s expense.

If all or any part of the Deliverables is the subject of any claim, suit, or proceeding for infringement or misappropriation of any Intellectual Property Right, Consultant may, and in the event of any adjudication that the Deliverables or any part thereof infringes or misappropriates any patent, trademark, copyright or trade secret, or if the licensing or use of the Deliverables or any part thereof is enjoined, Consultant shall, at its expense, do one of the following things: (i) procure for TMRS the right under such patent, trademark, copyright or trade secret to fully use the Deliverables or the affected part thereof; or (ii) replace the Deliverable or affected part thereof with another non-infringing Deliverable; or (iii) suitably modify the Deliverable or affected part thereof to make it non-infringing.

11. INSURANCE. Consultant shall, at its sole cost and expense, secure and maintain as a minimum, from the effective date and thereafter during the term of this Agreement, for its own protection and the protection of TMRS, the following insurance coverage with insurance companies:

- a. Errors and Omissions (professional liability) insurance with a limit of no less than \$1,000,000 per claim made and \$2,000,000 annual aggregate;
- b. Commercial general liability, on ISO “occurrence” form or its equivalent, with a limit of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate covering bodily injury and tangible property damage claims; this coverage shall not contain an endorsement excluding contractual or completed operations liability;
- c. Umbrella liability insurance with a minimum of \$5,000,000 per incident, which shall be excess of commercial general liability coverage required herein;
- d. Cyber Liability coverage minimum of \$3,000,000 policy limit, inclusive of network security, extortion, privacy expense, and notification expense; and
- e. Workers’ compensation coverage – minimum coverage for employer liability as determined by law.

If the policy is a claims-made policy and such policy is cancelled or non-renewed during the term of this Agreement, Consultant also agrees to provide, at its sole expense, certificates evidencing continuing coverage or tail coverage, with extended reporting, under such insurance policy for not less than three (3) years after the termination or expiration of this Agreement. Consultant shall deliver or cause to be delivered to TMRS not later than the thirtieth day after the effective date of this Agreement, and annually thereafter, certificates of insurance, with ISO form endorsements (CG 20 10 or CG 20 37 or equivalent), evidencing the coverage, which includes products and completed operations, required herein. Consultant shall provide thirty (30) days' written notice to TMRS prior to any material alteration, reduction, cancellation, or change by endorsement of the coverage evidenced by such certificate. Insurance coverages are to be provided by Texas admitted insurance companies with a Best's rating of at least A-: VII, unless otherwise approved in writing by TMRS. Consultant's insurance shall be primary, and any insurance or self-insurance maintained by TMRS shall be excess and not contribute with the coverage maintained by Consultant. When any of the foregoing insurance coverages are required to remain in force after final payment, an additional certificate with appropriate endorsements evidencing continuation of such coverages shall be submitted along with the application for final payment. All coverages for subcontractors shall be subject to all of the requirements stated herein. The above are minimum acceptable coverage limits and do not infer or place a limit on the liability of the Consultant, nor has TMRS assessed the risk that may be applicable to Consultant, which shall assess its own risks and may maintain higher limits and/or broader coverages as it deems appropriate or prudent.

12. RIGHT TO AUDIT

Consultant shall maintain adequate records to establish compliance with this Agreement until the later of a period of seven (7) years after termination of this Agreement or until full, final, and unappealable resolution of all compliance or litigation issues that arise under this Agreement. Consultant shall grant access to all paper and electronic records, books, documents, accounting procedures, practices, and any other items relevant to the performance of this Agreement to the internal auditors or contract management of TMRS, and such other persons or entities designated by TMRS for the purposes of inspecting, compliance checking, and/or copying such books and records during regular office hours at a mutually agreed time.

13. BUSINESS CONTINUITY AND DISASTER RECOVERY

13.1 Consultant will, at its sole expense, establish and maintain written Business Continuity Plans for the Services and supporting facilities that shall include: (1) written disaster recovery plans for critical technology and infrastructure, including communications networks or manufacturing capability or capacity; (2) proper risk controls to enable continued performance under the Agreement in the event of a Disaster; and (3) demonstrated capability to provide uninterrupted Services during the Disaster within the recovery time objectives specified by TMRS. For purposes of the Business Continuity Plan, it should address "Disasters" that are defined to include natural and man-made disasters, accidents, malfunction, or failures of equipment and infrastructure.

13.2 The Business Continuity Plans must include information and advance procedures that are developed and maintained in readiness for use in the event of a Disaster. The Business Continuity Plans must focus on the core business processes, manufacturing facilities, communications networks, lines of supply, information technology systems, infrastructure, and related personnel that are required for delivery of Services to TMRS within the specified timeframe.

13.3 Consultant shall provide to TMRS, within fifteen (15) business days of request by TMRS, copies of the Business Continuity Plans for review by TMRS.

14. TERMINATION. TMRS may terminate this Agreement with or without cause upon thirty (30) days' prior written notice to the Consultant, or, if there is any change in Consultant's personnel assigned to the TMRS account, immediately. Consultant may terminate this Agreement with Cause upon thirty days' prior written notice and time to cure by TMRS. "Cause" shall mean failure to make payments as set forth in Section 3. TMRS will not be required to pay or reimburse Consultant for any services performed or for expenses

incurred by Consultant after the date set forth in the termination notice that could have been avoided or mitigated by Consultant.

15. NOTICE Any notices required under this Agreement shall be made in writing, postage prepaid to the following addresses, and shall be deemed given upon hand delivery, verified delivery by facsimile (followed by copy sent by United States Mail), or three days after deposit in the United States Mail:

If by hand delivery:
TMRS
1200 N IH 35
Austin, Texas 78701

If by hand delivery or US MAIL:
[Consultant] _____

Attn: _____

If by US MAIL:
TMRS
P. O. Box 149153
Austin, Texas 78714-9153

If by facsimile:
TMRS
Attn: General Counsel
512.225.3786

If by facsimile:

Attn: _____

16. MISCELLANEOUS PROVISIONS

16.1 Governing Law and Venue In any lawsuit or legal dispute arising from the operation of this Agreement, the parties agree that the laws of the State of Texas shall govern, without regard to the principles of conflicts of laws. Subject to TMRS’ sovereign immunity, to the extent it is necessary to resolve in a court any dispute under this Agreement, and if resolution by a court is consistent with the provisions hereof, courts of the State of Texas shall have jurisdiction over any and all disputes between the parties hereto, whether in law or equity, and exclusive venue in any such dispute shall be laid in Travis County, Texas.

16.2 Dispute Resolution. The dispute resolution process provided in Chapter 2260, Texas Government Code, will be used by TMRS and Consultant to attempt to resolve any claim for breach of contract made by Consultant that cannot be resolved in the ordinary course of business. The Executive Director of TMRS or his designee will examine Consultant's claim and any counterclaim and negotiate with Consultant in an effort to resolve such claims. The parties specifically agree that (i) neither the execution of the Agreement by TMRS nor any other conduct, action, or inaction of any representative of TMRS relating to the Agreement constitutes or is intended to constitute a waiver of TMRS’ sovereign immunity to suit; and (ii) TMRS has not waived its right to seek redress in the courts or a jury trial.

16.3 No Waiver. No action or failure to act by a party hereto shall constitute a waiver of a right or duty afforded under this Agreement, or constitute approval or acquiescence in a breach of this Agreement, except as may be specifically set forth in this Agreement.

16.4 Entire Agreement and Order of Precedence. The following documents constitute the entire agreement of the parties, are incorporated by reference, and in the event of a conflict between them, the following order of precedence shall control:

1. This Agreement;
2. The RFP;
3. An applicable SOW, including any properly executed Change Order;
4. Consultant’s RFP Response; and
5. Any purchase order, invoice, or project signoff document prepared by Consultant.

Notwithstanding the order of precedence above and regardless of any statement or agreement in any SOW, Change Order, or agreement between the parties, and regardless of when any such agreement is executed, the

following terms and conditions in this Agreement may not be altered or changed: (a) TMRS shall not indemnify, hold harmless, or defend Consultant or any of its officers, employees, agents, or representatives for any act or omission by TMRS or its trustees, officers, employees, agents, or representatives regardless of the basis or nature of the claim, demand, or action; and (b) the following terms and conditions in this Master Agreement may not be altered, modified, or removed: Sections 5, 6, 7, 9, 12, and 16. The parties hereby agree that any such changes will be void and invalid as to the two parties.

No statement, promise, condition, understanding, inducement, or representation, oral or written, express or implied, which is not contained in the documents listed in 1-5 above shall be binding or valid on TMRS. This Agreement cannot be modified or changed by any oral promise made by any person, officer, or employee of either party, nor shall any written modification of it be binding on TMRS until approved in writing by authorized representatives of both TMRS and Consultant.

16.5 Amendment. This Agreement may be amended only by a written instrument executed by the parties hereto.

16.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement.

16.7 Severability. If any provision of this Agreement is held to be invalid or unenforceable in whole or in part, this instrument shall in all other respects remain in full force and effect as if the invalid provision had never been included, and the remaining provisions shall be construed as consistently as possible with the Agreement's original purpose.

16.8 No Assignment by Consultant. Consultant may not assign, transfer, or convey this Agreement or assign, transfer, or delegate any of its rights, duties, or obligations hereunder, and any such attempted assignment by Consultant shall be void. This Agreement shall be binding upon TMRS and Consultant, and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

CONSULTANT

**TEXAS MUNICIPAL RETIREMENT
SYSTEM**

BY: _____

BY: _____

NAME: _____

NAME: David R. Gavia

TITLE: _____

TITLE: Executive Director

DATE: _____

DATE: _____

EXHIBIT IV. TMRS NON-DISCLOSURE AGREEMENT

Non-Disclosure Agreement

This Non-Disclosure Agreement (the "Agreement") is made as of _____, 2020 between Texas Municipal Retirement System ("TMRS" or the "Discloser") and _____ (the "Recipient"), at _____ (business address).

WHEREAS, Recipient desires to receive, and Discloser is willing to supply certain Confidential Information (defined below) on the terms and conditions set forth herein, solely for the purpose of providing a Proposal in response to the Request for Proposal for Organizational Change Management Services to TMRS (the "Purpose");

NOW THEREFORE, in consideration of the premises and the covenants and agreements herein contained, the parties hereto agree as follows:

1. "Confidential Information" is defined as (i) financial, investment, technical, legal marketing, network, and other business information, know-how, plans, records, files, manuals, documentation, processes, procedures, reports, or data and (ii) records and information that is confidential and exempt from disclosure pursuant to Sections 552.0038 and 855.115 of the Texas Government Code including the Texas Public Information Act (Chapter 552 of Subtitle A of Title 5 of the Texas Government Code).
2. Discloser shall, at its discretion, provide such Confidential Information to Recipient as is required for the Purpose, verbally or in writing. Nothing in this Agreement obligates Discloser to make any particular disclosure of Confidential Information.
3. All right, title, and interest in and to the Confidential Information shall remain the exclusive property of Discloser and the Confidential Information shall be held in trust and confidence by Recipient for Discloser. No interest, license, or any right respecting the Confidential Information, other than expressly set out herein, is granted to Recipient under this Agreement by implication or otherwise.
4. Recipient shall use all reasonable efforts to protect Discloser's interest in the Confidential Information and keep it confidential, using a standard of care no less than the degree of care that Recipient would employ for its own similar confidential information. In particular, Recipient shall not directly or indirectly disclose, allow access to, transmit, or transfer the Confidential Information to a third party without the Discloser's prior written consent. Recipient shall disclose the Confidential Information only to its employees who have a need to know the Confidential Information for the Purpose. Recipient shall, prior to disclosing the Confidential Information to such employees and consultants, issue appropriate instructions to them to satisfy its obligations herein and obtain their written agreement to receive and use the Confidential Information on a confidential basis on no less than the conditions contained in this Agreement.
5. The Confidential Information shall not be copied, reproduced in any form, or stored in a retrieval system or database by Recipient without the prior written consent of Discloser, except for such copies and storage as may reasonably be required internally by Recipient for the Purpose. Recipient shall not keep a backup copy of the Confidential Information, whether internally or offsite.
6. The obligations of the Recipient under paragraphs 4, 5, and 8 shall not apply to Confidential Information:
 - (a) which at the time of disclosure is readily available to the public;
 - (b) which Recipient can establish, by documented and competent evidence, was in its possession prior to the date of disclosure of such Confidential Information by Discloser; or
 - (c) any Confidential Information that the Recipient is by law required to disclose.
7. This Agreement shall not constitute any representation, warranty, or guarantee to Recipient by Discloser with respect to the Confidential Information infringing any rights of third parties. Discloser shall not be held liable for any errors or omissions in the Confidential Information or the use or the results of the use of the Confidential Information.
8. Recipient shall, upon request of Discloser or upon termination of this Agreement, (i) immediately return the Confidential Information and all copies thereof in any form whatsoever under the power or control of Recipient to Discloser, and delete the Confidential Information from all retrieval systems and databases or

- (ii) destroy all Confidential Information in its possession as directed by Discloser and furnish Discloser with a certificate by an officer of Recipient of such deletion or destruction.
9. When requested by Discloser, Recipient will promptly provide a list containing the full name and address of any person having access to or copies of the Confidential Information and the reason such access is necessary.
 10. Due to the sensitive, valuable and proprietary nature of and the statutory requirements regarding the Confidential Information, the obligations assumed by Recipient hereunder shall (a) be unlimited in time or territory or (b) if it is held by a court of competent jurisdiction that this provision is illegal, invalid, or unenforceable, shall apply only within those territories within which Discloser then carries on business and only up to 10 years after disclosure of such Confidential Information, unless such Confidential Information remains confidential by law. If any provision of this Agreement is held to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and remaining part of such provision and all other provisions hereof shall continue in full force and effect.
 11. The Recipient shall indemnify, defend, and hold harmless the Discloser and its directors, officers, employees, and agents from all claims, suits, damages, losses, expenses and costs (including reasonable attorney's fees) related to an actual or alleged breach of this Agreement by the Recipient or its employees, officers, directors, affiliates, contractors, or agents.
 12. Either party may terminate this Agreement by providing thirty days' written notice to the other. Any terms of this Agreement which by their nature extend beyond its termination remain in effect until fulfilled, and apply to respective successors or assignees.
 13. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior understanding and agreement between the parties hereto with respect thereto. There are no representations, warranties, terms, conditions, undertakings, or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement.
 14. In accordance with the dispute resolution process in Chapter 2260 of the Texas Government Code, TMRS and Recipient shall attempt to resolve any claim for breach of contract made by Recipient that cannot be resolved in the ordinary course of business. The Executive Director of TMRS or his designee will examine Recipient's claim and any counterclaim and negotiate with Recipient in an effort to resolve such claims. The parties specifically agree that (i) neither the execution of the Agreement by TMRS nor any other conduct, action or inaction of any representative of TMRS relating to the Agreement constitutes or is intended to constitute a waiver of TMRS' sovereign immunity to suit; and (ii) TMRS has not waived its right to seek redress in the courts or a jury trial.
 15. This Agreement may not be assigned by either party without the prior written consent of the other party. Any attempt to do so is void.
 16. Only a written agreement signed by authorized representatives of both parties can modify this Agreement.
 17. The parties agree that the laws of the State of Texas shall govern, without regard to the principles of conflicts of laws. Subject to TMRS' sovereign immunity, to the extent it is necessary to resolve in a court any dispute under this Agreement, and if resolution by a court is consistent with the provisions hereof, courts of the State of Texas shall have jurisdiction over any and all disputes between the parties hereto, whether in law or equity, and exclusive venue in any such dispute shall be laid in Travis County, Texas.
 18. No action or failure to act by a party hereto shall constitute a waiver of a right or duty afforded under this Agreement, or constitute approval or acquiescence in a breach of this Agreement, except as may be specifically set forth in this Agreement.
 19. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement. Digital or facsimile signatures are acceptable to execute this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

Texas Municipal Retirement System

Recipient: _____

Signature

Signature

David R. Gavia, Executive Director
Name

Name (Printed)