Minnesota State Board of Investment

REQUEST FOR PROPOSAL FOR
Private Markets and Alternatives Consulting Services

Minnesota's Commitment to Diversity and Inclusion

The State of Minnesota is committed to diversity and inclusion in its public procurement process. The goal is to ensure that those providing goods and services to the State are representative of our Minnesota communities and include businesses owned by minorities, women, veterans, and those with substantial physical disabilities. Creating broader opportunities for historically under-represented groups provides for additional options and greater competition in the marketplace, creates stronger relationships and engagement within our communities, and fosters economic development and equality.

To further this commitment, the Department of Administration operates a program for Minnesota-based small businesses owned by minorities, women, veterans, and those with substantial physical disabilities. For additional information on this program, or to determine eligibility, please call 651-296-2600 or go to www.mn.gov/admin/oep.

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REQUEST FOR PROPOSAL (RFP)

This RFP does not obligate the SBI to complete the project and the SBI reserves the right to cancel the solicitation if the SBI considers it to be in the best interest of the SBI. The SBI reserves the right to accept or reject proposals, in whole or in part, and to negotiate separately as necessary to serve the best interest of the State of Minnesota. All expenses incurred in responding to this RFP are solely the responsibility of the responder.

I. INTRODUCTION

The Minnesota State Board of Investment ("SBI") is charged with the investment of approximately $104.3 billion for the State of Minnesota and related constituents. Of this amount, approximately $85.5 billion represents retirement funds, which the SBI invests on behalf of various state and local governmental employees. The remainder of the assets are made up of trust funds and State cash accounts.

The selected Private Markets and Alternatives Consultant(s) ("Alternatives Consultant") will report to the SBI's Executive Director. In carrying out responsibilities, the consultant(s) will work closely with the Executive Director and other SBI staff, and may work with members of the SBI's Investment Advisory Council ("IAC") and/or individual Board members and their staffs.

The primary responsibilities of the consultant(s) selected through this RFP shall include, but are not limited to, non-discretionary investment advisory services such as: strategic planning, manager search and evaluation, performance measurement and analytics, operational due diligence, risk management and analysis, and other operational tasks.

It should be noted that the SBI may choose multiple consultants to fulfill its investment needs. To that end, please respond to the RFP in the manner that best represents the abilities of your organization. The SBI will consider 'generalist' Private Markets and Alternatives consultants who serve investment needs across private equity, private credit, real estate, real assets, liquid alternatives (hedge funds) and other asset classes, as well as those consultants who focus on one or a subset of these categories. Additionally, the SBI is interested in both investment and operational due diligence capabilities across the aforementioned categories.

Currently, the SBI retains AON Hewitt Investment Consulting, Chicago, IL, as the SBI's primary consultant for the Funds. Meketa Investment Group, Portland, OR serves as the SBI's consultant for special projects.

The RFP Review Committee will review the responses received from the RFP. The SBI assumes that the process for selecting an Alternatives Consultant will proceed expeditiously and will be completed in July 2020. The effective start of the new contract is expected to be August 1, 2020. The term of the new contract is expected to be five (5) years, cancellable by the SBI with 30 days notice.

II. PURPOSE

The purpose of this RFP is to solicit an Alternatives Consultant or Consultants capable of providing the SBI with a variety of investment advisory, monitoring, and reporting services. It should be noted that where the term "Alternatives" appears through this RFP, it is meant to encompass all Private Markets and Alternatives investment strategies, including but not limited to the following: private equity of all types (leveraged buyouts, venture capital, growth equity, etc.), private credit of all types (mezzanine debt, distressed debt, direct lending, etc.), real estate, infrastructure, other real assets, royalties, and liquid alternatives (hedge funds).

The relationship will be non-discretionary in nature, and all investment decisions will continue to be made by the Board based on recommendations from staff and the Investment Advisory Council ("IAC").

The consultant(s) employed by the SBI through this RFP will be expected to offer analysis, advice and recommendations with respect to the SBI's Alternatives portfolio. The SBI has been investing in Alternatives funds for over 40 years and has a mature portfolio consisting of investments in a variety of private asset classes. The current portfolio consists of over 90 investment managers and over 200 active, unique partnerships, totaling over $20 billion of invested and committed capital.

Consultant Relationship
The selected Consultant(s) will report to the SBI's Executive Director and will bear the responsibility for maintaining direct communication with the Executive Director and other SBI staff.

As mentioned previously, the SBI recognizes that more than one consulting firm may be required to fulfill the duties described in the Scope of Services section on page 3 of this RFP. The SBI's goal is to hire a consultant or consultants whose experience, whether broad-based or specialized, can best satisfy its needs.

Consultants are encouraged to respond to each of the duties cited in the Scope of Services section in which they have special expertise.

III. BACKGROUND REGARDING THE SBI

A. Legal Authorization

The SBI was created pursuant to Article XI, Section 8, of the Minnesota Constitution for the purpose of "administering and directing the investment of all state funds." Statutory provisions relating to fiduciary responsibility, portfolio composition, and the types of securities in which the SBI may legally invest are set forth in *Minnesota Statutes*, Chapter 11A and 356A (incorporated by reference, a true and correct copy of which can be found at https://www.revisor.mn.gov/pubs/).

B. Composition

The Minnesota Constitution specifies the membership of the State Board of Investment to be composed of four elected officials: Governor, State Auditor, Secretary of State, and State Attorney General.

The SBI has established a Consultant Review Committee to prepare and distribute a formal RFP to evaluate available consulting services.

C. Alternatives Funds Invested by the SBI

A list of Alternatives funds in which the SBI invests can be found, along with a brief description of each, in the 2019 Minnesota State Board of Investment Annual Report. A link to the report is included as **Appendix A.**

D. Staffing and Support Services

The SBI has a staff of twenty-four (24) persons supervised by an Executive Director. The staff is responsible for the implementation of Board policies on an on-going basis. The Executive Director reports investment performance and makes policy recommendations to the SBI at quarterly and special meetings. As part of their on-going duties, the SBI staff maintains close contact with the Board members and their staffs, the State Legislature, the statewide and local retirement systems whose assets are managed by the SBI, and other organizations with interest in the operations and results of the Board.

IV. SCOPE OF SERVICES REQUESTED

The services required may potentially include, but are not limited to the following:

A. Strategic Alternatives Consulting

1. Conduct an annual review and assist in the development of investment policy focusing on the structure and diversification of the SBI Alternatives portfolio, including the establishment of goals, strategies, objectives and performance standards.

2. Assist the State Board of Investment ("Board") and SBI staff in the development and maintenance of an appropriately structured Alternatives program, including a detailed analysis and modeling of investment pacing based on expected cash flows from current and anticipated future commitments and investments.

3. Provide analysis and recommendations for treatment of in-kind distributions from private markets funds.

4. Prepare quarterly and annual performance reports for the portfolio.

5. Produce written research on Alternatives market conditions and opportunities; conduct special projects or other activities as requested.

6. Coverage should include both US and non-US developed and developing markets.

7. Advise on and assist in developing SBI's investment approach and policies regarding ESG strategies.

8. As requested, appear at Board and IAC meetings or other meetings to present performance, program updates, research, analyses, written reports, and investment recommendations and respond to questions relating to the Alternatives program (up to 4 times per year).

9. At selected specific Investment Advisory Council meetings, SBI Staff and consultant will jointly present an Asset Class Review of the Alternatives portfolio and market, incorporating information from annual organizational and performance reviews for each of the SBI's managers. The Asset Class Review will include an analysis of the current market environment, a summary of relevant events in the financial markets, a review of the performance of the major private market benchmarks; an analysis of the asset allocation of the current investment program; a complete return analysis; and a review of the investment results in the context of their objectives and benchmarks, along with specific commentary on factors affecting performance.

10. Coordinate and communicate with other SBI consultants and advisors as appropriate to ensure effective administration of the Alternatives program.

B. Investment Sourcing and Selection

1. Develop a structured, on-going process to screen the global universe of available Alternatives investments and identify those most appropriate for SBI's portfolio; provide Staff with access to up to date (no less frequently than monthly) reports summarizing screening activity and manager/investment ratings. For clarity, the SBI is interested in consultant capabilities across the US/North America, Western Europe, Asia, and Rest of World.

    a. Conduct a detailed evaluation of prospective investments and transactions, including those that may be sourced by SBI staff. If appropriate, engage in comprehensive due diligence that may include general partner site visits and background and reference checking. Such investments and transactions may include primarily and secondary funds, co-investment opportunities, separate account mandates and others.

    b. Upon request, present written investment recommendation reports to Staff. Reports shall include results of the comprehensive due diligence process and an analysis of how a commitment/investment would complement the SBI's existing portfolio.

2. Work with SBI staff and legal counsel to negotiate, in the best interests of SBI, relevant contracts and legal documents including fee and investment terms in limited partnership agreements, subscription agreements, side letters, and legal amendments on existing partnerships. Assist SBI with completing subscription documents.

C. Monitoring of Alternatives Portfolio

1. Provide on-going investment monitoring that may include attending annual meetings, serving on advisory boards, analyzing policy and peer benchmarks, and conducting manager meetings. Communicate with Staff to ensure these services supplement activities undertaken by Staff.

2. Provide regular updates/assessments of relevant operational and/or strategic changes with investment managers, including but not limited to, performance, organization, ownership, investment products, and disclosure issues.

3. Ensure that investment managers comply with the terms of their contracts. Verify accuracy and produce reports on manager fees including carried interest.

4. Review and recommend course of action on all fund document amendments, consents, extensions, and other actions.

5. Assist and advise SBI staff with potential secondary sales, work-out situations, restructurings, breaches or violations of limited partnership and side letter provisions, and fund dissolutions as may arise.

D. Database Management

1. Maintain information on portfolio exposure, including, as appropriate, to vintage years, sub-asset classes (i.e. buyout, venture capital, special situations, private debt, etc.), geographic regions, and industries.

2. Maintain historical information on all cash flows, net asset values, commitments (total, funded, and unfunded), fee payments, cost basis and returns on each investment.

3. Calculate performance metrics including IRR and multiple calculations measured against performance benchmarks, including public market equivalents.

4. Provide ability to review cash flows and performance data by individual investment, sector, sub-asset class and portfolio type over quarterly periods.

E. Reporting Requirements for Total Alternatives Program

1. Quarterly performance report to include at a minimum:

    a. Market overview and outlook
    b. Allocation breakdown by geography, strategy and industry, based on fund/investment and deal/security-level analysis
    c. Update on each fund/investment
    d. Listing of each fund/investment by strategy
    e. Date of commitment to each fund
    f. Commitment amount to each fund
    g. Drawdown amounts by fund
    h. Outstanding commitment by fund
    i. Distribution amounts by fund
    j. Fund net asset values
    k. IRR and multiples for each fund
    l. Peer universe comparisons over various time periods
    m. Unfunded commitment allocated to drawn subscription lines by fund

2. Annual and quarterly reports are due no later than 45 days after the respective period end.

3. Reconcile quarterly reports with the records of SBI custodian bank; provide any other reporting required by SBI staff.

4. Provide assistance with appropriate information to satisfy public information requests or public reporting requirements.

5. Coordinate with general partners to obtain relevant information related to GASB 72 reporting requirements.

    https://gasb.org/jsp/GASB/Document_C/DocumentPage&cid=1176165840291

6. Provide a report on management fees and expenses by fund/investment on an annual basis.

F. Education

1. Provide educational and/or training sessions on Alternatives investing to the SBI, IAC and SBI staff as requested.

2. Provide SBI staff with access to all Alternatives research, published or unpublished, and general memoranda produced by consultant.

SBI retains the sole right to decide whether any responder is qualified to bid, including determining whether any responder's qualifications are sufficiently comparable to satisfy all of the above qualifications.

V. INFORMATION CONTACTS

The SBI's exclusive agent for purposes of responding to consultants' inquiries on RFP requirements are:

Patricia Ammann
Director, Investment Services and Operations
Minnesota State Board of Investment

minn.sbi@state.mn.us

Other Personnel are NOT authorized to discuss this request for proposal with responders, before the proposal submission deadline. Contact regarding this RFP with any personnel not listed above could result in disqualification. The SBI shall not be bound by and responders may not rely on information regarding RFP requirements obtained from non-authorized persons.

Any questions should be directed to the email address above using the subject line "Private Markets RFP 2020". All questions received by May 8, 2020 will be answered by an addendum to this RFP by May 22, 2020. The addendum will be emailed to all individuals who requested a copy of this RFP from the SBI.

VI. PROPOSAL CONTENT: REQUEST FOR PROPOSAL (RFP) QUESTIONNAIRE

Please respond to the questions below as appropriate for the services your firm provides. The SBI recognizes that some of the following questions are more appropriate for private markets fund strategies and some for liquid alternatives fund strategies. To reiterate, we will consider hiring one or more entities to best serve our needs and it is not necessary that each individual responder is able to service all aspects of the Alternatives duties referenced herein.

A. ORGANIZATION

1. Provide the address of the primary office (primary point of contact) that will service this account. If you have other office locations, provide the address and telephone number for each office, and briefly explain the primary functions performed within these offices. Please also identify the location of the firm's headquarters and indicate the number of total firm employees.

2. Give a brief history of your firm's involvement in the Alternatives consulting business, including the year of organization.

3. Describe the ownership structure of the firm, including affiliations, subsidiaries and employee ownership. List all owners and describe ownership structure by percentage. Please state the name of any one owner who controls more than 50% of the firm. List any owner who doesn't spend the majority of their time with the on-going management or daily affairs of the firm. Has your firm undergone ownership structure changes in the past three years, or is ownership change planned or anticipated at this time? Briefly explain.

4. Attach as **Exhibit A** to your proposal the following organizational charts:

   a) Parent/subsidiary relationships.

   b) Respondent's organization. Please indicate key personnel names and titles with a "*". Below the chart, please insert detailed biographies of the key personnel including education, certifications, and years of Alternatives consulting experience.

   c) Your consulting unit listing major functional areas with the names and titles of key staff in each area along with the total number of staff in each area. If there are overlaps, please indicate and explain as a footnote.

5. How many years has your firm provided Alternatives consulting services both on a discretionary and non-discretionary basis? How many years has your firm provided discretionary and non-discretionary consulting services to public pension plans? Of the firm's total committed capital, what percentage is discretionary and what percentage is non-discretionary? How has this service arrangement between discretionary and non-discretionary evolved since the firm's founding? Has your firm changed its focus from non-discretionary (or discretionary) engagements within the last 10 years? If so, please explain why.

6. Is your firm an "emerging manager" or "emerging business"? If yes, please discuss the factors that qualify you as an "emerging manager" or "emerging business."

7. Please indicate your firm's diversity as defined by the characteristics in the table below. Note: Total Employees should represent the total sum of staff who are people of color and/or women in the firm. I.e., do not double count and do not count staff who are not people of color or women.

	Partners	**Managers**	**Other Employees**	**Total**
People of Color				
Women				
Combined				
Total Employees				

8. Please indicate whether your firm is a registered investment advisor under the Investment Advisers Act of 1940 and whether your firm functions as a fiduciary. If so, please provide a copy of the firm's most recent Form ADV (Part I & II) and attach as **Exhibit B** to your proposal. Will you be a fiduciary to the SBI? Please elaborate if your firm will not act as a fiduciary.

9. What are your firm's consulting specialties, strengths, and limitations? What differentiates your firm from competitors? Please list all types of Alternatives investment strategies that your firm evaluates.

10. What services does your firm (or any subsidiary or affiliate) offer in addition to the consulting services as listed in Section IV, Scope of Services Requested?

11. Does your firm provide consulting services to other Alternatives managers or internally managed fund products (i.e., fund-of-fund managers, discretionary private equity managers)? If so, please explain how your firm manages conflict of interests.

12. For the past five calendar years, please list your firm's lines of business and approximate contributions of each business to your firm's total revenue (expressed in dollars and percentages). If you are an affiliate or subsidiary of an organization, what percentage of the organization's total revenue does your division generate.

13. Does your firm subcontract or outsource any parts of your investment consulting business? Please describe in detail which functions are performed externally and reason for doing so. Please provide the names of the providers, office locations, number of years in business, and the qualifications of the specific people who will be working on our account. How does your firm manage and monitor the quality control of outsourced services?

14. Describe your present and future business plan/strategy as it relates to ownership structure and consulting services. Describe your plans for managing the future growth of your firm in terms of staff, maximum assets, number of clients, etc. and how this impacts your ability and commitment to servicing your existing clients.

B. CLIENTS

1. Please complete the table below as of December 31, 2019. Exclude any project-based clients.

Client Base Profile			
Client Type	**Number of Discretionary**	**Number of Non-Discretionary**	**Total Number of Clients**
U.S. Public Pension Funds			
Corporate Pension Funds			
Endowments/Foundations			
Other (Please specify)			
TOTAL			

2. Please indicate the number of discretionary and non-discretionary Alternatives consulting clients gained and/or lost for the periods listed below. Exclude any project-based clients.

Clients Gained & Lost			
Calendar Year	**Number of Clients Gained**	**Number of Clients Lost**	**Total Number of Clients at Year End**
2019			
2018			
2017			
2016			
2015			
2014			

3. For all clients that terminated your services (as indicated in your response to the previous question), please provide the name of the client, the dollar amount of assets under management[1] at time of termination, the reason for termination, and the year terminated.

4. Please list your 10 largest institutional clients (as measured by total plan size) as of December 31, 2019, in the table below. Exclude any specific project-based clients. Also, list those clients you are using to meet the RFP minimum qualifications and place a "*" next to their names.

Largest Institutional Clients (U.S. $ millions)					
Client Name	**Total Plan Size**	**Alternatives Program Size***	**Years with Client**	**Client Type**	**Discretionary/ Non-Discretionary**
e.g. Client 1	$10,000	$1,000	5	Public Pension	Discretionary
e.g. Client 2	$8,500	$600	7	Corporate	Discretionary
e.g. Client 3	$8,000	$300	2	Endowment	Non-Discretionary

*Total capital commitments

5. Provide information in the tables below for your firm's five largest U.S. public defined benefit plan clients (as measured by total plan size) for both discretionary and non-discretionary accounts between January 1, 2014 and December 31, 2019. Terminated relationships should be footnoted with the year of termination. For current clients, use values as of December 31, 2019. For terminated clients, use values as of the termination date. Also include U.S. public defined benefit plan clients with Alternatives assets between $1 billion and $2 billion in market value

[1] Assets under management include discretionary and/or non-discretionary assets managed/advised by the firm on behalf of clients.

and committed dollars between $1 billion and $3 billion. Note these clients with an "*" next to their names.

Largest U.S. Public Defined Benefit Plan Discretionary Clients (U.S. $ millions)				
Client Name	**Total Plan Size**	**Alternatives Target Allocation**	**Market Value of Alternatives Portfolio**	**Total $ Committed**
e.g. Client 1	$10,000	$1,000	$800	$1,500
Largest U.S. Public Defined Benefit Plan Non-Discretionary Clients (U.S. $ millions)				
Client Name	**Total Plan Size**	**Alternatives Target Allocation**	**Market Value of Private Markets and Alternatives Portfolio**	**Total $ Committed**
e.g. Client 1	$8,000	$300	$800	$1,500

6. Provide a list of pension fund clients to whom your firm has provided specific project consulting in the last three years. Briefly describe the type of assignment (e.g., investment policy, staffing study, market study, specialized/non-traditional Alternatives investments, etc.) using the format below:

Project-Based Clients		
Client Name	**Year Service Provided**	**Assignment**

7. Provide references using the format below for three U.S. public defined benefit plans (or other types of clients if three public pension funds are unavailable) with assets over $3 billion for whom you provide primary consulting services comparable to the services requested in this RFP. Indicate whether they are a discretionary client (D) or a non-discretionary (N) client. Do not provide references that contract with you on a project-basis.

   Please secure advanced permission to contact these references.

References						
Client Name	**D/N**	**Plan Size**	**Contact**	**Title**	**Phone No.**	**Email**

C. PERSONNEL

1. State the total number of employees providing professional-level Alternatives consulting services within your organization. Please complete the following table for all professionals within your organization who are responsible for providing Alternatives consulting services. Indicate how many of these professionals would have direct responsibility for the SBI account by placing a "*" next to their name.

Team Experience						
Name	**Title**	**Job Function**	**List all degrees and certifications (e.g. B.S., MBA, CFA)**	**Years with Firm**	**Years of PE Experience**	**Total Years of Experience**

2. Complete the table below for the primary consultant[2], secondary consultant[3], and backup consultant[4] who would be responsible for the SBI account. Please provide brief biographies on each individual including titles, functions, education, certifications, years of Alternatives consulting experience, years of work experience, previous employers, and number of years in current position. Identify and explain the role of backup personnel and other contingency plans in the case of key professionals and/or primary personnel leaving.

Primary Consultant, Secondary Consultant, and Backup Consultant Profile									
Name	**Primary (P), Secondary (S), or Backup (B)?**	**Title**	**Office Location**	**Total Number of Accounts Assigned**	**Years with Firm**	**Years of Alternatives Experience[1]**	**Total Years of Experience**	**List all degrees and certifications (e.g. B.S., MBA, CFA)**	**Percent of time dedicated to SBI account**

3. How does your firm determine which primary, secondary, and backup consultant will be assigned to a particular account?

   When attending SBI meetings, the secondary consultant will appear with the primary consultant _____% of the time.

   SBI can expect the backup consultant to substitute the primary consultant _____% of the time.

[2] Primary consultant – leads the SBI account and the majority of Board interactions.
[3] Secondary consultant – supports the primary consultant and day-to-day activities related to the SBI account.
[4] Backup consultant – takes the role of the primary consultant when the primary is unavailable.

4. For the primary, secondary, and backup consultants assigned to the SBI account, please provide a profile of all current clients (with greater than $100 million in assets) using the format below. Provide the client name, plan type (such as U.S. public pension, corporate, endowment/foundation, etc.), length of relationship (relationship with the stated client), client's total asset size and client's Alternatives portfolio size (based on total commitments).

Primary Consultant's Current Clients						
Client Name	**Plan Type**	**Length of Relationship (in years)**	**Total Asset Size (U.S. $ millions)**	**Alternatives Portfolio Size (U.S. $ millions)**	**The person's role in this account: Primary (P), Secondary (S), or Backup (B)?**	**Number of times this person led presentations at the client's Board meeting in the past 12 months (ending 12/31/19)**

Secondary Consultant's Current Clients						
Client Name	**Plan Type**	**Length of Relationship (in years)**	**Total Asset Size (U.S. $ millions)**	**Alternatives Portfolio Size (U.S. $ millions)**	**The person's role in this account: Primary (P), Secondary (S), or Backup (B)?**	**Number of times this person led presentations at the client's Board meeting in the past 12 months (ending 12/31/19)**

Backup Consultant's Current Clients						
Client Name	**Plan Type**	**Length of Relationship (in years)**	**Total Asset Size (U.S. $ millions)**	**Alternatives Portfolio Size (U.S. $ millions)**	**The person's role in this account: Primary (P), Secondary (S), or Backup (B)?**	**Number of times this person led presentations at the client's Board meeting in the past 12 months (ending 12/31/19)**

5. List the office location from which deliverables (including research and document development) will be produced. Will any member of the team assigned to the SBI account work from a location other than this office? If so, please specify which office this consultant will be based.

6. Describe your compensation and incentive program for hiring and retaining consultants and other key professionals.

7. Explain how junior level staff are trained or developed to assume more senior level positions and cite the criteria used to promote them.

8. List and describe how many support staff, such as research analysts and other technical personnel, that the primary consultant has access to in servicing the SBI account. Please describe your firm's quality control process in reviewing the deliverables produced by support staff.

9. What policies are in place to control the workload and the number of clients serviced by each consultant? Is there a limit on the number of accounts that a consultant may handle?

10. Describe the turnover in key professionals in each of the last 5 years (2014-2019). Indicate the number of people gained/lost in the following categories:

    i. Client consultants
    ii. Key technical personnel
    iii. Management professionals

Turnover of Key Professionals					
Name	**Position**	**Year Joined/Left Firm**	**Years with Firm**	**Replacement**	**Reason for Leaving**

D. SERVICES

1. List all services provided in a typical Alternatives full service discretionary consulting and performance monitoring relationship. List the special services that you have provided to meet needs of other clients including any service mentioned or referenced in this RFP. Which of those services are in addition to the Scope of Services described in this RFP? Also, indicate which services mentioned or referenced in this RFP that you will not provide or have decided to outsource. Why has your organization decided not to deliver such services or to outsource such services?

2. What approaches does your firm use to communicate with your clients? What services typically fall under client service? What is your availability to meet with the Board and staff for investment policy review, manager searches, and other issues that may arise? If awarded a contract, what is your plan for ensuring that the relationship with SBI is successful?

3. Describe the services of your organization that distinguish your firm from other Alternatives consultants. Discuss how your strengths would add value to SBI portfolio.

4. Do you attend annual manager or partnership meetings on behalf of your clients? How does your firm determine which meetings to attend? Will you participate at a client's specific request and will there be a charge for this service?

5. Please elaborate on the approach, frequency, and staffing assigned to the following services for a discretionary Alternatives engagement. How would the service differ if it were a non-discretionary relationship?

   i. Partnership or fund sourcing.
   ii. Desk review and on-site due diligence; preparation of comprehensive due diligence reports.
   iii. On-going fund and GP monitoring.
   iv. Strategic and tactical planning and pacing studies.
   v. Asset allocation and risk management advisory for Alternatives programs.
   vi. Legal (partnership document) review.
   vii. Terms and conditions negotiation.
   viii. Work-out situations.
   ix. Performance reporting.
   x. Annual GP meeting attendance.
   xi. Alternatives program policy development and program structuring assistance.
   xii. Cash flow modeling.
   xiii. Capital call and distribution notice review and checks and balances process.
   xiv. Other services (please elaborate).

6. Does your firm retain full-time internal legal counsel and/or utilize external legal counsel for limited partnership and related legal document reviews? Please provide rational for the current legal team structure. In what instances would you recommend that the client retain its own outside legal counsel and for what purpose?

7. Define your policies and procedures to ensure against unauthorized distribution of client data.

E. ASSETS UNDER MANAGEMENT

1. Complete the tables below for the total amount of discretionary and non-discretionary assets under management[5] (based on market value plus unfunded commitments) as of December 31, 2019.

Firm Assets Under Management by Client Type (U.S. $ millions)			
Client Type	**Discretionary AUM**	**Non-Discretionary AUM**	**Total AUM**
U.S. Public Pensions			
Corporate Pensions			
Endowments/Foundations			
Other (specify)			
TOTAL			

[5] Assets under management include discretionary and/or non-discretionary assets managed/advised by the firm on behalf of clients.

2. Indicate the amount of discretionary and non-discretionary Alternatives assets under management (based on market value plus unfunded commitments) for each year from 2009 to 2019 (as of December 31 of each year unless otherwise indicated).

Discretionary and Non-Discretionary AUM (U.S. $ millions)			
Year	**Discretionary**	**Non-Discretionary**	**Total**
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018			
2019			

3. Indicate the amount of discretionary assets and total assets under management (as of December 31 of each year unless otherwise indicated) by investment vehicle type in the tables below.

Discretionary AUM by Investment Vehicle Type (U.S. $ millions)						
Year	**Direct Deals**	**Primary Funds**	**Co-Investment**	**Secondary**	**Other (specify)**	**Total**
2014						
2015						
2016						
2017						
2018						
2019						

Total AUM (Discretionary and Non-Discretionary) by Investment Vehicle Type (U.S. $ millions)						
Year	**Direct Deals**	**Primary Funds**	**Co-Investment**	**Secondary**	**Other (specify)**	**Total**
2014						
2015						
2016						
2017						
2018						
2019						

4. In the tables below, indicate the firm's discretionary committed dollars and total committed dollars by year and the percentage of dollars committed to the following:

Discretionary Committed Dollars (U.S. $ millions)				
Year	**Total Committed**	**% Buyout**	**% Venture Capital**	**% Special Situations / Other**
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017				
2018				
2019				

Discretionary Committed Dollars (U.S. $ millions)								
Year	**Total Committed**	**% Funds <$500 million in fund size**	**% Funds between $500 million and $1 billion in fund size**	**% Funds >$1 billion in fund size**	**% North America**	**% Western Europe**	**% Asia Pacific**	**% ROW**
2009								
2010								
2011								
2012								
2013								
2014								
2015								
2016								
2017								
2018								
2019								

Total (Discretionary and Non-Discretionary) Committed Dollars (U.S. $ millions)				
Year	**Total Committed**	**% Buyout**	**% Venture Capital**	**% Special Situations / Other**
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017 (as of June 30)				

	Total (Discretionary and Non-Discretionary) Committed Dollars (U.S. $ millions)							
Year	**Total Committed**	**% Funds <$500 million in fund size**	**% Funds between $500 million and $1 billion in fund size**	**% Funds >$1 billion in fund size**	**% North America**	**% Western Europe**	**% Asia Pacific**	**% ROW**
2009								
2010								
2011								
2012								
2013								
2014								
2015								
2016								
2017								
2018								
2019								

F. PHILOSOPHY AND APPROACH

1. Please describe your firm's current consulting philosophy and approach to Alternatives consulting services. How does this philosophy and approach provide an advantage over your competition?

2. How has this philosophy and approach changed in light of the Great Recession and concerns about Alternatives liquidity and changes in fund valuations?

3. Does your firm favor or specialize in a particular sector of the Alternatives market? Please elaborate on the pros and cons of the various sectors and how you might position SBI Alternatives portfolio to gain diversification.

4. How does your firm ensure that it is obtaining broad coverage of applicable investment managers?

5. What consideration does liquidity play in structuring a client's Alternatives portfolio?

G. FIRM CAPABILITIES & INVESTMENT PROCESS

1. Indicate the types of investment strategies and vehicles that the firm has experience with for U.S. public pension fund clients. Describe the optimal situation for using one of the following vehicle type versus the others:

   i. Limited Partnership Interests
   ii. LLC
   iii. Fund of funds
   iv. Co-Investments
   v. Secondaries
   vi. Direct Investments

2. Describe the process for determining a client's commitment pacing schedule. For a fund such as SBI, how many fund commitments per year you would recommend? What would be the average check sizes?

3. Explain the firm's overall investment process for a discretionary relationship. How do you construct portfolios to optimize diversification across the number of general partner relationships, number of fund commitments, capital commitment per fund, sub-asset classes, sectors, vintage years, etc.?

4. How does the firm source and develop new relationships with general partners prior to making a commitment? Does your firm prefer to strengthen existing relationships and do follow-on funds or seek new general partners to find added value? Describe what would cause you to advise a client not re-up with an existing GP.

5. How many general partners have you met with annually in each of the last three years (ending December 31, 2019) in your offices? How many have you met with at the general partners' offices in each of the last three years (ending December 31, 2019)?

6. Describe the criteria that the firm uses to determine which general partners are "top quartile." What are the advantages and disadvantages of using this criteria?

7. List a sample (if allowable or conceal names as appropriate) of the "top quartile" funds that your firm has made commitments to for (and prior to) vintage year 2016

for U.S. public pension plan clients. Indicate whether the funds are buyout, venture capital, growth equity, distressed debt, special situation funds, etc. and provide the gross IRR of each fund as of December 31, 2019. Indicate whether you would anticipate the ability to facilitate a $100+ million investment on behalf of the SBI in a subsequent fund.

8. How would you assist SBI in developing new relationships with top quartile general partners while maintaining strong relationships with SBI existing top performing general partners?

9. What is your process for sourcing and analyzing first-time funds? What factors typically eliminate first-time funds from receiving a commitment?

10. In the table below, please provide a list of first- and/or second- time (institutional) funds you have recommended to your U.S. public defined benefit plan clients within the last 10 calendar years.

Fund Name	**Vintage Year**	**Fund Size**	**Strategy**	**Commitment Size**	**Net IRR as of 12/31/19***	**TVPI (net) as of 12/31/19***

* If December 31, 2019 data is not available, please footnote the measurement date.

11. Indicate the firm's geographic investment coverage by describing the firm's investment activities in the following markets. Only address instances where actual investment commitments have been made. If you do not invest in any of the markets listed below, please briefly explain why.

    i. United States
    ii. Canada
    iii. Western Europe
    iv. Central and Eastern Europe and Russia
    v. Japan
    vi. China
    vii. India
    viii. Southeast Asia
    ix. Australia
    x. Israel / Middle East
    xi. Latin America
    xii. Africa

12. Please detail your experience and expertise in Alternatives as it pertains to your ability to assist the SBI in developing its portfolio outside North America.

13. Over the next three to five years, which of the markets listed in the previous question do you intend to make/recommend new investments in or exit? Why do you believe opportunities exist or do not exist in these markets? If SBI awarded you the Alternatives consulting services contract, what would you project the committed capital recommendations (in percentage terms and adding to 100%) of

SBI Alternatives portfolio to be for each of the regions above in the year 2022? 2025?

14. Explain how the firm determines its Alternatives strategic allocation policy (i.e., the allocation between buyout, venture capital, growth equity, distressed debt, special situations, secondary funds, liquid alternatives, etc.) for U.S. public pension plans like SBI. Does the firm consider geographic allocation as part of the strategic allocation policy? Is the allocation policy similar for all of your U.S. public pension plan clients or customized to meet specific client needs? Please explain.

15. Briefly describe the firm's due diligence process for investments. Please attach (1) a copy of a recent due diligence report recommending a commitment and (2) a recent due diligence report where an investment was declined. Redacted reports are acceptable. Attach as **Exhibit C** to your proposal.

16. What is your approach to diligence on client-sourced partnerships funds for referral to the Alternatives consultant? Please describe any experience your firm may have in this arrangement?

17. Briefly describe the firm's approach and process to evaluating non-U.S. Alternatives investments.

18. Briefly describe the firm's experience with opportunistic alternative investments (e.g., mezzanine, distressed debt, energy, agriculture, private credit, direct investments, etc.).

19. Explain the pros and cons of having an emerging manager program. What is your definition of an "emerging manager"? Please include criteria such as first- or second-time fund, AUM, etc. How do you source these types of funds? Does your firm have any staff dedicated to sourcing and evaluating emerging managers? How does the due-diligence process differ between emerging managers and established managers? In the table below, list emerging managers (based on your firm's definition) to whom you have made commitments.

Fund Name	**Vintage Year**	**Fund Size**	**Strategy**	**Commitment Size**	**Net IRR as of 12/31/19 (if available*)**	**TVPI (net) as of 12/31/19 (if available*)**

*If 12/31/19 data is not available, please footnote the measurement date.

20. How many emerging manager conferences has your firm attended in each of the last 5 years? Please list the names of these conferences. Has anyone from your firm been a keynote speaker or participated on a panel? If yes, please list speaker name and title.

21. Please fill out the table below relating to emerging managers.

CY	Number of emerging managers reviewed	Total number of managers reviewed	Number of emerging manager meetings taken	Total number of manager meetings taken	Number of commitments made to emerging managers	Total number of commitments made to all managers	Total dollars committed to emerging managers (in millions)	Total dollars committed to all managers (in millions)
2019								
2018								
2017								
2016								
2015								

What approaches (if any) have you recommended to your clients to get better exposure to emerging managers beyond direct primary commitments?

Does your firm manage its own Alternatives or Private Markets fund-of-funds? If so, please complete the table below.

Fund Strategy	Vintage Year	Fund Size	Net IRR as of 12/31/19 (if available*)	TVPI (net) as of 12/31/19 (if available*)

*If 12/31/19 data is not available, please footnote the measurement date.

22. Would your firm ever recommend a fund-of-funds managed by another investment manager over your own fund-of-funds? Under which circumstances would your firm recommend a fund-of-funds managed by another investment manager?

23. How does your firm allocate Alternatives investment opportunities among your advisory clients, separate account clients, and the fund-of-funds that you manage? How do you mitigate any conflict of interests between your direct investment clients versus your fund-of-funds clients? Does your firm manage any other types of assets besides fund-of-funds?

24. SBI currently does not have a co-investment program. Based on SBI's current GP relationships (as detailed in the 2019 annual report referenced in Appendix A), how would you advise SBI to develop a co-investment program? How much value do you believe a co-investment program would add to SBI portfolio? How have you served your other clients in implementing co-investment programs?

H. OPERATIONAL DUE DILIGENCE CAPABILITIES

1. What percentage of your firm's revenue was derived from provision of operational due-diligence services in 2019? What percentage of your firm's revenue was derived from providing investment advisory services in 2019?

2. What procedures and policies are in place to control any conflicts of interest between the firm's investment management business and the firm's operational due diligence business?

3. Complete the table below as of 12/31/19*, showing the total number of initial operational due diligence reviews the firm has provided to clients in the last five (5) years. Indicate how many of these reviews were conducted on managers that traded listed derivatives as part of their investment product. Provide the information by type of client.

	# of Operational DD Reviews Conducted	**# That Involved Trading of Listed Derivatives**
Public Pension Funds		
Endowments & Foundations		
Corporate clients		
Other		
TOTAL		

*If 12/31/19 data is not available, please footnote the measurement date.

4. What key strengths or competitive advantages does the firm have with respect to conducting operational due diligence services on investment management firms?

5. Discuss your organization's compensation and incentive policies for employees conducting operational due diligence services.

6. List any operational due diligence consulting mandates that the firm lost from January 1, 2013, to the date of submission. State the name or type of account, the size of the engagement at termination, and the reasons for the loss.

7. Please describe the firm's technology capabilities and relate them to the firm's due diligence services. Do you provide any custom computer-based tools to the firm's clients? If so, please elaborate.

8. Please describe in detail the following:

   i. Steps of the process the firm intends to follow in conducting operational due diligence. Include flow-charts if necessary.
   ii. Quantitative and qualitative factors that are examined.

9. What factors or findings in an operational due diligence project would cause you to recommend that a client not utilize the manager?

10. On average, what percentage of your time in an operational due diligence project is spent "on-site" at a manager's offices?

11. How many on-site operational due diligence reviews has the firm conducted outside of the United States in the three (3) years ended 12/31/19? In what countries did such onsite meetings take place?

12. Describe the role of back ground checks and reference checks with clients and service providers in evaluating managers.

13. Please furnish one complete manager evaluation report that was provided to a client. Manager and client names may be redacted as needed.

14. As applicable, list the process you use to evaluate a systematic manager's "trade life cycle"? Explain in detail your checks to determine:

    i. Possibilities of fat-finger errors
    ii. Trade allocations and priorities of clients
    iii. Adherence to client specific guidelines
    iv. Trade breaks and error reporting
    v. Model validation and trade algorithm checks
    vi. Rogue trader safeguards, etc.

15. List your firm's key personnel that would oversee and conduct operational due diligence reviews on managers if the firm was hired by SBI. Provide brief biographies on each, including their respective roles at the firm, description of their experience, and especially any experience or expertise they may have reviewing liquid alternatives strategies.

I. DATABASE

1. Describe the overall capabilities of your investment manager database system.

2. How many of the following are tracked on your performance database?

    i. Managers/advisors
    ii. Direct investments
    iii. Commingled funds
    iv. Specialized, non-traditional funds

3. How frequently is the Alternatives investment manager information updated? What are the sources of data and how do you ensure that your data is an unbiased and fair representation of the Alternatives investment manager universe?

4. What level of detail is included in your database for screening purposes (e.g., assets under management, client information, staffing information, research capabilities, fees, etc.)?

5. Do you receive a fee or other consideration from investment managers who wish to be maintained on your database? Do you sell database information? Do you receive compensation directly or indirectly from the sale of this information? What percentage of your revenue do you derive from sales to or subscriptions from investment managers on your database?

6. What information contained in your database is accessible to clients? What information is not made available to clients?

J. MANAGER SEARCHES

1. Please list the firm's top 10 existing relationships where your firm has made a commitment to at least two or more of their funds for the last 10 calendar years in the table below.

Calendar Year	General Partner	Strategy	Fund Size	Commitment Size	Net IRR as of 12/31/19 (if available*)	TVPI (net) as of 12/31/19 (if available*)

*If 12/31/19 data is not available, please footnote the measurement date.

Explain why each of these is a top 10 relationship for your firm.

2. How are potential Alternatives investment opportunities identified? How many Alternatives investment opportunities have been evaluated per year since 2008?

3. Briefly describe your due diligence process on investment managers during searches. What criteria do you use to evaluate investment opportunities? How does on-site due diligence fit into the process? Who or what internal governance body approves commitments to funds? Are such commitment decisions approved for all similar clients or are they specific to each client?

4. Discuss the number of individuals assigned to monitoring investment products and frequency of both their internal and external manager visits.

5. What percentage of time would each of the key staff assigned to the SBI account spend meeting with general partners as part of the due diligence process? How many due diligence site visits are conducted each year by each of these key staff?

K. INVESTMENT POLICY & ASSET ALLOCATION

1. Describe your pension fund experience (preferably public pension fund experience) and approach in developing or changing investment policies and objectives for a diversified pension fund, particularly within the context of a comprehensive strategic plan. Comment on your process for analyzing a client's portfolio structure and for recommending changes. Describe the manner in which you would assist the SBI in monitoring investment policy, strategy and asset mix.

2. Please provide an example of an investment policy focused or specific to Alternatives. Briefly address in the policy any economic/market assumptions and how the strategy achieves its objectives given the current and future changes in interest rates, inflation, and supply and demand constraints. Please attach this policy as **Exhibit D** to your proposal.

3. What do you believe is the most appropriate way to categorize and discuss Alternatives investments to help the client best understand the levels of risk being assumed?

4. Please describe your internal policy for allocating Alternatives investment opportunities across clients. How do you allocate over-subscribed investment opportunities across clients? Please attach this policy as **Exhibit E** to your proposal.

5. What is your outlook on some of the key global events in the U.S., Europe, Asia, Africa and the Middle East? How does this outlook influence your views on Alternatives programs and policy? How does inflation factor into your views? What are the specific investment strategies and policy that you believe will help public pension plan clients achieve high levels of risk-adjusted returns?

6. How do you measure, monitor, and control risks associated with Alternatives investments? Describe any comprehensive program-level risk management tools you use to understand and evaluate the various types of risk associated with a client's Alternatives program. Do these tools allow for look-through to portfolio companies? At what level of detail? (i.e. quarterly cash flows and balance sheet information)

7. Based on your knowledge of SBI, please write a maximum one page document on detailing the approach you would take in crafting an Alternatives Investment Policy in terms of direction, performance, and risk of the total program(s).

L. PERFORMANCE MEASUREMENT

1. Describe your performance measurement system. Is the system proprietary/internally developed or an "off-shelf" product? Do you plan to make any changes to the current system?

2. What Alternatives sub-asset classes (e.g., buyout, venture capital, growth equity, real estate, real assets, liquid alternatives etc.) are tracked in your performance measurement system?

3. How many years of useable performance data are in your database?

4. Does your firm follow the Global Investment Performance Standards (GIPS)? If not, please explain why.

5. Describe your methodology in computing partnership returns, management fees, and incentive fees including the actual formula utilized, the frequency of calculation, and the treatment of cash flows, stock distribution, etc.

6. Describe the process and frequency of verification and reconciliation of investment managers' returns and fees with the GP.

7. What is the basis for portfolio valuations? Do you utilize the general partners' valuations? Do you independently verify the general partners' valuations, fees (including fee offsets), expenses, carried interest, and clawbacks? What tools or services do you use to do this?

8. Please describe any instances where fee and expense validation resulted in savings for one of your clients.

9. What benchmark(s) do you recommend for evaluating the performance of a public pension plan Alternatives program and why? What are the benefits and shortcomings of using these benchmarks? What other benchmarks could SBI adopt for evaluating its Alternatives program?

10. Describe the flexibility available to customize your reports.

11. Describe your system's flexibility to calculate PMEs for a single fund or groups of funds.

12. Describe your ability to perform attribution and contribution-to-return analysis based on fund/investment underlying holdings.

13. Please provide a sample of your firm's performance report and other standard reports. Attach as **Exhibit F** to your proposal.

14. Describe how your organization identifies problems with general partner activities and performance. Include the process by which steps are taken to rectify problems.

15. Describe the steps you have taken on behalf of your clients who have partnership investments that are performing poorly, have legal issues, or where there is a non-performing general partner.

16. For each year from 2005 to 2019, list all fund recommendations made by your firm to clients (including all special mandates or objectives), one table for only discretionary clients and one table for all clients (discretionary and non-discretionary). Please delineate by sub-asset category: buyout, venture capital, growth equity, real estate, real assets, liquid alternatives etc. List any co-investments or secondaries separately, and make note of any plans with special objectives.

    For benchmarking, please calculate the equal weighted average for all funds in the category based on the indicated benchmark. For example, a category with two 1st quartile funds and two 2nd quartile funds would equal (1+1+2+2)/4 = 1.5. Please specify the benchmark used for each Partnership Type.

DISCRETIONARY ONLY PERFORMANCE DATA								
Vintage Year	**Partnership Type**	**Number of Partnerships**	**Total Commitments (in $ million)**	**Net IRR as of 12/31/19***	**TVPI (net) as of 12/31/19***	**TVPI based Quartile Ranking as of 12/31/19***	**IRR based Quartile Ranking as of 12/31/19***	**Benchmark**
	Venture							
	Buyout							
	Etc.							

*If 12/31/19 data is not available, please footnote the measurement date.

ALL FUND RECOMMENDATIONS PERFORMANCE DATA								
Vintage Year	**Partnership Type**	**Number of Partnerships**	**Total Commitments (in $ million)**	**Net IRR as of 12/31/19***	**TVPI (net) as of 12/31/19***	**TVPI based Quartile Ranking as of 12/31/19***	**IRR based Quartile Ranking as of 12/31/19***	**Benchmark**
	Venture							
	Buyout							
	Etc.							

*If March 12/31/19 data is not available, please footnote the measurement date.

M. STANDARDS OF CONDUCT

1. Disclose any financial or other relationship you have or have had with any SBI Board member, consultant, or SBI employees. If there are no conflicts of interest, please state, "There are no conflicts of interest to report."

2. Disclose any gifts[1] that your firm has provided to any SBI Board member, consultant, or SBI employee in the last three years. If such gifts have been provided, please disclose them using the format below:

No.	Date (mm/dd/yy)	Provided to	Description of Gifts [1]	Value (U.S. $)

[1] Gifts could be in the form of meals, tickets, paid travel, anything of value over $50, etc.

3. Do you have any written policies or procedures to address conflicts of interest? If so, please provide as **Exhibit G** to your proposal.

4. What potential conflicts of interest are posed or may be perceived as a conflict by other activities undertaken by the organization, if any? How are these addressed?

5. Does an internally managed fund-of-funds business pose a conflict of interest for your advisory clients (as it may apply to your firm)? Why or why not?

6. For the past 10 years has your firm, its internally-managed funds, officers, principals, or any affiliate ever:

   i. been the focus of a periodic or non-routine Securities and Exchange Commission (SEC) inquiry or investigation or a similar inquiry or investigation from any similar federal, state or self-regulatory body or organization,

   ii. been a party to or settled any litigation concerning breach of fiduciary responsibility or other investment related matters, or

   iii. submitted a claim to your error & omission, fiduciary liability and/or fidelity bond insurance carrier(s)?

7. If "yes" to any of the above, please provide details and the current status or disposition.

8. Has any employee of the firm been convicted of a misdemeanor or felony in the past ten years? Please explain.

9. Has the firm adopted the CFA Code of Ethics and Standards of Professional Conduct? Does the firm have a written code of conduct or set of standards for professional behavior? If so, how is employee compliance monitored?

10. Does your firm have a dedicated, full-time compliance officer? If yes, please provide a brief biography of this person including name, title, and compliance experience. If "no," please explain who manages compliance.

11. Does the firm hold or sponsor investment manager or client conferences? If yes, describe such events occurring in the last year, their usual frequency, and whether the costs of such events are borne by the firm or event attendees?

12. Describe any financial relationships that exist with other organizations such as brokerage firms, insurance companies, commercial banks, investment banks, investment management firms, etc.

13. What is your firm's position on third-party placement agents and do you currently engage or do business with such service providers? What is the policy for disclosure of placement agents? When and who is responsible for paying the placement agent fees? Is there one-for-one reduction in management fee of the fund for the placement agent fee?

14. How are consultants' recommendations to clients reviewed, approved (e.g., by an Investment Committee), and monitored by your organization?

N. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

1. State your firm's description and philosophy with regard to ESG investing.

2. Please describe in detail your philosophy and experience as it pertains to assisting clients in developing, implementing and monitoring Alternatives ESG investment guidelines and strategies.

3. What is your process for determining which ESG issues are most material at the client, manager and investment levels?

4. What capabilities do you have to track ESG metrics for clients? What are some ESG metrics you have tracked for other clients?

5. Please describe ESG initiatives by other clients that have yielded positive results.

O. OTHER

1. Please provide samples of no more than three white papers or short research communications on Alternatives provided to your clients. Attach as **Exhibit H** to your proposal.

2. Describe the firm's policy or position regarding requests pursuant to the Freedom of Information Act and other public disclosure laws.

3. Does the firm provide clients with an online web portal? How long has this website been in use? Describe in detail the information that is available to clients on this website (e.g., partnership names, commitments, aggregate IRR by investment type, portfolio company level information, etc.). Can clients download data from this website and what format is the data available in (e.g. Excel, PDF, etc.)?

4. List the major custodian banks that the firm currently works with.

5. Is your organization a member of the Institutional Limited Partnership Association (ILPA)? Has your organization ever been asked to provide research support for their policy development? Has your organization ever participated in the annual ILPA Summit?

6. What are your views on the ILPA Principles and the ILPA reporting templates? Are there any provisions of the Principles and/or the reporting templates that you support or disagree with?

7. Do you have a database with the capability to aggregate information from ILPA fee reporting templates sent to the client?

8. Please describe your business continuity plan. Have you ever had to activate any parts the plan? If so, describe the effectiveness of the plan and any post-activity modifications to that plan.

9. Has your firm helped public pension clients to comply with GASB 72? Describe in details the approach, process, and steps your firm took to help clients to comply with this law.

10. Please describe any policies, programs, and initiatives your firm has adopted to mentor under-represented group(s) in your firm. Provide examples of such staff who have promoted up or out of the organization under such a program.

P. ACCESSIBILITY OF SERVICES OR PRODUCTS

The responder should complete Exhibits H and I, in an accessible format, the Section 508 and WCAG 2.0 A and AA sections in a VPAT® 2.0 (or newer) for all software, hardware, and websites (as applicable) as proposed in response to the solicitation. For systems with multiple interfaces (such as an admin and user interface), complete a VPAT for each interface. These documents may be scored according to the solicitation evaluation.

Responders are encouraged to reference the "Vendor VPAT Guidance" in the "Products" tab on the Accessible IT Procurement page (http://mn.gov/mnit/programs/accessibility/it-procurement.jsp) for information and instructions on completing the VPATs. Respondents should also review the related guidance documents on the same site for solicitation reviewers to understand expectations. The responder is strongly encouraged to provide remarks and explanation that both support compliance and detail any deficiencies, as even if you claim "supports" unless there are remarks and explanations, you may score low.

If no responders fully meet the accessibility standards, the state reserves the right to remove this mandatory requirement, in which case the responder is still required to provide accessibility through alternative means when requested.

Q. COST PROPOSAL

Provide one copy of the cost proposal in a separately sealed envelope clearly marked on the outside "Cost Proposal" along with the firm's name. Proposed fees shall be paid quarterly and assume for a time period of August 1, 2020 to July 31, 2025. Please report fees in each of the following manners:

(1) Provide the proposed costs for each of the following asset categories unbundled, as they pertain to your firm's expertise:

- Private Equity
- Private Credit
- Real Estate
- Real Assets
- Liquid Alternatives (including hedge funds)

(2) Provide the proposed costs in total for a bundled package of the asset classes listed in (1), as applicable to your firm, and indicate which of those asset classes your response to this (2) encompasses. Please provide quotes for any additional services not included in this fee. All proposed fees should be inclusive. No additional charges such as travel will be accepted.

Please include a statement indicating the fee estimate is valid for a minimum of one hundred and eighty (180) days. This period may be extended by mutual agreement between a responder and the Consultant Review Committee.

R. REQUIRED FORMS

A. Workforce Certificate

B. Veteran-Owned Preference Form (if applicable)

C. Certification Regarding Lobbying

D. Affidavit of NonCollusion

E. Equal Pay Certificate

F. Resident Vendor Form (if applicable)

1. Sample Minnesota Professional Technical Services Contract

2. VPAT 508 of the Rehabilitation Act

3. VPAT Web Content Accessibility Guidelines

VII. PROPOSAL INSTRUCTIONS

The responder shall submit twelve (12) bound copies of its RFP response to the SBI at the following address:

Patricia Ammann
Director, Investment Services and Operations

Minnesota State Board of Investment
60 Empire Drive, Suite 355
St. Paul, MN 55103-3555

- All costs incurred in responding to this RFP will be borne by the responder.
- Fax or e-mail responses will not be considered.
- No proposal received after **3:00 P.M.** Central Time on **June 16, 2020** will be considered. (Early submissions are encouraged).
- One (1) copy of the response must be unbound and signed in ink by an authorized officer of the responding firm.
- Two copies on a flash/thumb drive - one formatted in Microsoft Word and one PDF.
- Each copy of the proposer's response must be sealed in a mailing envelope or package with the responder's name and address clearly written on the outside. Please identify the unbound copy on the outside of its envelope as well.
- In addition to the proposal, provide one copy of the cost proposal in a separately sealed envelope clearly marked on the outside "Cost Proposal" along with the firm's name. For purposes of completing the Cost Proposal, the state does not make regular payments based upon the passage of time, it only pays for services performed or work delivered after it is accomplished.

Project Timetable

RFP Issued	April 13, 2020
Deadline for Respondent Questions	May 8, 2020
SBI's Anticipated Response to Questions	May 22, 2020
Final Proposals Due	June 16, 2020

NO PROPOSALS RECEIVED AFTER 3:00 P.M. CENTRAL TIME ON JUNE 16, 2020 WILL BE CONSIDERED

Finalist Notification Date	July/August 2020*
Finalist Interviews Conducted	August/September 2020*

The Review Committee may require that a respondent make an oral presentation to the Committee during the evaluation process. In such event, the Committee will notify the respondent of the time and location.

Consultant selected by the SBI.	September 2020*
Contract completed, relationship start date	No later than January 1, 2021*

* Projected dates, subject to change.

VIII. PROPOSAL EVALUATION

All responses received by the deadline will be evaluated by representatives of the Minnesota State Board of Investment designated as the Consultant Review Committee. First, the RFP responses will be evaluated to ensure that the minimum requirements have been met. Proposals that fail to meet the minimum requirements will not advance to the next phase of the evaluation. For those proposal advancing to the next phase of the evaluation, the Committee will review the proposals submitted and score the work plan and cost proposals. The State reserves the right, based on the scores of the proposal, to create a short list of proposers receiving the highest scores and to interview or conduct presentations. All scores will be compiled and the Committee will then make a final recommendation to the SBI Board based upon the best value to the State. Final selection is subject to approval of the SBI Board and successful contractual negotiation and execution by the SBI Executive Director.

Pass/Fail Minimum Requirements

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

The following will be considered on a pass/fail basis:

1. Proposal must be received on or before the due date and time specified in this solicitation.

2. Responder must be an investment consulting firm or an existing private equity fund of funds provider for SBI, registered as an investment adviser under the Investment Advisers Act of 1940. The Responder will promptly advise SBI if it, at any time, is not so registered. The Responder must submit its full Form ADV (Parts I and II) with its proposal.

3. As of December 31, 2019, the primary contact dedicated to the SBI contract must have at least five (5) years of experience in providing Alternatives consulting or management services to institutional fund clients.

4. Responder must make an affirmative statement that:

    a. Responder is willing to enter into a most favored nation clause certifying that the fees, costs, or pricing charged to SBI do not exceed the fees, costs, or pricing charged by the responder to any of its clients for the same or similar level of services.

    b. Responder and its proposed team has all authorizations, permits, licenses and certifications required by federal and state laws and regulations to perform the services specified in this RFP at the time responder submits a response to the RFP. Responder's audited financial statements must be made available for review.

c. Responder will comply with all legislation, applicable State fiduciary, ethics, and diversity laws, including any additional disclosure requirements.

5. Responder must complete and submit the forms in Exhibits H and I for all software, hardware, and websites (as applicable) as proposed in response to the solicitation. The system should meet the state's accessibility standards that include both Section VPAT 508 and WCAG 2.0 'AA'. If no vendors fully meet the accessibility standards, the state reserves the right to remove this mandatory requirement, in which case the vendor is still required to provide accessibility through alternative means when requested.

<u>The Factors and Weightings on which the Proposals will be judged in are as follows:</u>

1. **The consultant's ability to precisely and clearly respond to the Questionnaire section of the RFP as it relates to the prescribed duties. (10%)**

   The approach, methodology and techniques should be appropriately specific, logical and organized. The consultant must demonstrate the capability to gather the necessary information, develop fully supportable conclusions, and communicate findings and recommendations clearly and succinctly. The consultant's ability to effectively communicate to audiences with varying levels of investment expertise will be evaluated.

2. **The consultant's demonstrated knowledge and experience in investment consulting. (20%)**

   It is imperative that the consultant has been frequently and recently engaged in the field of investment consulting for large pension plan sponsors. In addition, knowledge and experience with respect to endowments, cash accounts, and insurance portfolios is desirable.

3. **The quality of staff to be assigned to fulfill this contract and available support. (20%)**

   The consultant must assign to this contract, in terms of numbers and quality, sufficient staff with experience in the fields of financial and investment analysis, data processing and systems support, and general pension fund management. The consultant should explain to the best of its ability to what extent back-up professional personnel are available to substitute for loss of professional personnel identified as necessary in the proposal. ***Please note that if the candidate is selected for an interview or presentation, (i.e. finalist interviews), the primary consultant(s) must be a key presenter to the Consultant Review Committee.***

4. **The quality of the data processing and analytical systems necessary to support the consulting services. (15%)**

   The consultant should demonstrate its ability to manage and maintain the computer software, hardware and databases referenced in its proposal. The consultant's

commitment to upgrade existing systems and to introduce new applications which will enhance its ability to perform its duties also will be assessed.

5. **The consultant's demonstrated ability to manage the assignment effectively and assure the successful delivery of the services provided. (20%)**

   The plan for performing and managing the contract, including the framework within which the project team will function relative to the State, will be evaluated. The consultant should demonstrate its ability to manage and control its duties, including specification of the reporting mechanisms and inter-relationships between the consultant, the SBI and its staff, and outside vendors of the SBI.

6. **Compliance with Accessibility Standards (5%)**

   Refer Pass/Fail Minimum Requirements, section 5.

7. **Cost Detail and Method of Payment (10%)**

   a. All costs relating to the proposal shall be explained in detail.

   b. Payment shall be made on a pro rata quarterly basis billed in arrears.

   c. The evaluation team reserves the right to reject unreasonable costs proposed by responders. Specifically, the evaluation team will not consider any proposed costs that are, at the sole discretion of the state, not rational or are not competitively priced. Such proposals will be regarded as non-responsive and receive no further consideration.

IX. PERIOD OF CONTRACT AND METHOD OF PAYMENT

The contract shall be for five (5) years commencing on or before January 1, 2021.

By Minnesota law, the contract may be canceled by the State Board of Investment, the Commissioner of Administration of the State of Minnesota with or without cause, upon thirty (30) day written notice to the other party.

Payment shall be made on a pro rata quarterly basis billed in arrears.

X. PUBLIC STATUS OF PROPOSALS SUBMITTED

Pursuant to Minnesota law, all proposals submitted in response to this RFP shall become the property of the State of Minnesota. Such proposals shall also constitute public records in accordance with *Minnesota Statutes*, section 13.591 and shall be available for viewing and reproduction by any person except for portions of the response that meet the definition of Trade Secret as defined by *Minnesota Statutes*, Section 13.37 subd. 1(b).

XI. OTHER GENERAL REQUIREMENTS

Conflicts of Interest
Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposals. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

Proposal Contents
By submission of a proposal, Responder warrants that the information provided is true, correct and reliable for purposes of evaluation for potential contract award. The submission of inaccurate or misleading information may be grounds for disqualification from the award as well as subject the responder to suspension or debarment proceedings as well as other remedies available by law.

Disposition of Responses
All materials submitted in response to this RFP will become property of the State and will become public record in accordance with *Minnesota Statutes*, section 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected vendor. If the Responder submits information in response to this RFP that it believes to be trade secret materials, as defined by the Minnesota Government Data Practices Act, Minnesota Statute § 13.37, the Responder must:

- Clearly mark all trade secret materials in its response at the time the response is submitted, include a statement with its response justifying the trade secret designation for each item, and defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State's award of a contract. In submitting a response to this RFP, the Responder agrees that this indemnification survives as long as the trade secret materials are in possession of the State.

The State will not consider the prices submitted by the Responder to be proprietary or trade secret materials.

Notwithstanding the above, if the State contracting party is part of the judicial branch, the release of data shall be in accordance with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time.

Contingency Fees Prohibited
Pursuant to *Minnesota Statutes*, Section 10A.06, no person may act as or employ a lobbyist for compensation that is dependent upon the result or outcome of any legislation or administrative action.

Sample Contract
You should be aware of the State's standard contract terms and conditions in preparing your response. A sample State of Minnesota Professional/Technical Services Contract is

attached as Appendix B for your reference. Much of the language reflected in the contract is required by statute. If you take exception to any of the terms, conditions or language in the contract, you must indicate those exceptions in your response to the RFP; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

Reimbursements

Reimbursement for travel and subsistence expenses actually and necessarily incurred by the contractor as a result of the contract will be in no greater amount than provided in the current "Commissioner's Plan" promulgated by the commissioner of Employee Relations. Reimbursements will not be made for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

Organizational Conflicts of Interest

The responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the Assistant Director of the Department of Administration's Office of State Procurement which must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organization conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to MMD, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve the State's rights.

Preference to Targeted Group and Economically Disadvantaged Business and Individuals

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal. Eligible TG businesses must be currently certified by the Office of State Procurement prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at mmdhelp.line@state.mn.us. For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

Veteran-Owned Small Business Preference
Unless a greater preference is applicable and allowed by law, in accordance with *Minnesota. Statutes*, § 16C.16, subd. 6a, the Commissioner of Administration will award a 6% preference in the amount bid on state procurement to certified small businesses that are majority owned and operated by veterans.

A small business qualifies for the veteran-owned preference when it meets one of the following requirements. 1) The business has been certified by the Department of Administration/Office of State Procurement as being a veteran-owned or service-disabled veteran-owned small business. 2) The principal place of business is in Minnesota AND the United States Department of Veterans Affairs verifies the business as being a veteran-owned or service-disabled veteran-owned small business under Public Law 109-461 and Code of Federal Regulations, title 38, part 74 (Supported By Documentation). *See Minnesota Statutes*, § 16C.19(d).

Submit the appropriate documentation with the solicitation response to claim the veteran-owned preference. Statutory requirements and documentation must be met by the solicitation response due date and time to be awarded the preference.

Work Force Certification
For all contracts estimated to be in excess of $100,000, responders are required to complete the attached Affirmative Action Data page and return it with the response. As required by Minnesota Rule 5000.3600, "It is hereby agreed between the parties that Minnesota Statute § 363A.36 and Minnesota Rule 5000.3400 - 5000.3600 are incorporated into any contract between these parties based upon this specification or any modification of it. A copy of *Minnesota Statutes,* § 363A.36 and Minnesota Rule 5000.3400 - 5000.3600 are available upon request from the contracting agency."

Equal Pay Certification
If the Response to this solicitation could be in excess of $500,000, the Responder must obtain an Equal Pay Certificate from the Minnesota Department of Human Rights (MDHR) or claim an exemption prior to contract execution. A responder is exempt if it has not employed more than 40 full-time employees on any single working day in one state during the previous 12 months. Please contact MDHR with questions at: 651-539-1095 (metro), 1-800-657-3704 (toll free), 711 or 1-800-627-3529 (MN Relay) or at compliance.MDHR@state.mn.us.

Certification Regarding Lobbying
Federal money will be used or may potentially be used to pay for all or part of the work under the contract, therefore the Proposer must complete the attached **Certification Regarding Lobbying** and submit it as part of its proposal.

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion
Federal money will be used or may potentially be used to pay for all or part of the work under the contract, therefore the Proposer must certify the following, as required by the regulations implementing Executive Order 12549.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and Coverages sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this response that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that

which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Insurance Requirements

1. Contractor shall not commence work under the contract until they have obtained all the insurance described below and the State of Minnesota has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.

2. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:

   a. **Workers' Compensation Insurance:** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows:

   $100,000 – Bodily Injury by Disease per employee
   $500,000 – Bodily Injury by Disease aggregate
   $100,000 – Bodily Injury by Accident

   If Minnesota Statute 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the State of Minnesota, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

   If during the course of the contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation

Insurance requirements herein and provide the State of Minnesota with a certificate of insurance.

b. **Commercial General Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance **minimum** limits are as follows:

$2,000,000 – per occurrence
$2,000,000 – annual aggregate
$2,000,000 – annual aggregate – Products/Completed Operations
The following coverages shall be included:

Premises and Operations Bodily Injury and Property Damage
Personal and Advertising Injury
Blanket Contractual Liability
Products and Completed Operations Liability
Other; if applicable, please list_____
State of Minnesota named as an Additional Insured, to the extent permitted by law

c. **Commercial Automobile Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this contract, and in case any work is subcontracted the contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance **minimum** limits are as follows:

$2,000,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included:

Owned, Hired, and Non-owned Automobile

d. **Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability Insurance:** This policy will provide coverage for all claims the contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the contract.

Contractor is required to carry the following **minimum** limits:

$2,000,000 – per claim or event
$2,000,000 – annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed $50,000 without the written approval of the State. If the Contractor desires

authority from the State to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that the State can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

3. Additional Insurance Conditions:

- Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State of Minnesota with respect to any claim arising out of Contractor's performance under this contract;

- If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify the State of Minnesota within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State of Minnesota;

- Contractor is responsible for payment of Contract related insurance premiums and deductibles;

- If Contractor is self-insured, a Certificate of Self-Insurance must be attached;

- Contractor's policy(ies) shall include legal defense fees in addition to its liability policy limits, with the exception of B.4 above;

- Contractor shall obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota; and

- An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

4. The State reserves the right to immediately terminate the contract if the contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the contractor. All insurance policies must be open to inspection by the State, and copies of policies must be submitted to the State's authorized representative upon written request.

5. The successful responder is required to submit Certificates of Insurance acceptable to the State of MN as evidence of insurance coverage requirements prior to commencing work under the contract.

E-Verify Certification (In accordance with Minn. Stat. §16C.075)
By submission of a proposal for services in excess of $50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify program for all newly hired employees in the United States who will perform work on behalf of the State. In the event of contract award, Contractor shall be responsible for collecting all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at:
http://www.mmd.admin.state.mn.us/doc/EverifySubCertForm.doc.
All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

Certification of Nondiscrimination (In accordance with Minn. Stat. § 16C.053)
The following term applies to any contract for which the value, including all extensions, is $50,000 or more: Contractor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the vendor's business. For purposes of this section, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

Appendix A

SUMMARY OF ALTERNATIVES FUNDS

Please find below a link to the Minnesota State Board of Investment Fiscal Year 2019 Annual Report, which includes a list and summary of private markets funds beginning on page 51.

http://mn.gov/sbi/publications/2019MSBIAnnual%20Report.pdf

Additionally, please see the following page comprised of links to the MSBI's latest quarterly performance reports.

http://mn.gov/sbi/Performance.html

EXHIBIT A

STATE OF MINNESOTA – WORKFORCE CERTIFICATE INFORMATION

Required by state law for ALL bids or proposals that could exceed $100,000

Complete this form and return it with your bid or proposal. The State of Minnesota is under no obligation to delay proceeding with a contract until a company becomes compliant with the Workforce Certification requirements in Minn. Stat. §363A.36.

BOX A – MINNESOTA COMPANIES that have employed more than 40 full-time employees within this state on any single working day during the previous 12 months, check one option below:

☐ Attached is our current Workforce Certificate issued by the Minnesota Department of Human Rights (MDHR).

☐ Attached is confirmation that MDHR received our application for a Minnesota Workforce Certificate on _____ (date).

BOX B – NON-MINNESOTA COMPANIES that have employed more than 40 full-time employees on a single working day during the previous 12 months in the state where it has its primary place of business, check one option below:

☐ Attached is our current Workforce Certificate issued by MDHR.

☐ We certify we are in compliance with federal affirmative action requirements. Upon notification of contract award, you must send your federal or municipal certificate to MDHR at compliance.MDHR@state.mn.us. If you are unable to send either certificate, MDHR may contact you to request evidence of federal compliance. The inability to provide sufficient documentation may prohibit contract execution.

BOX C – EXEMPT COMPANIES that have not employed more than 40 full-time employees on a single working day in any state during the previous 12 months, check option below if applicable:

☐ We attest we are exempt. If our company is awarded a contract, we will submit to MDHR within 5 business days after the contract is fully signed, the names of our employees during the previous 12 months, the date of separation, if applicable, and the state in which the persons were employed. Send to compliance.MDHR@state.mn.us.

By signing this statement, you certify that the information provided is accurate and that you are authorized to sign on behalf of your company.

Name of Company: _ Date _____

Authorized Signature: _____ Telephone number: _____

Printed Name: _____ Title: _____

For assistance with this form, contact:

Minnesota Department of Human Rights, Compliance Services

Web: http://mn.gov/mdhr/ TC Metro: 651-539-1095 Toll Free: 800-657-3704

Email: compliance.mdhr@state.mn.us TTY: 651-296-1283

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EXHIBIT B

STATE OF MINNESOTA
VETERAN-OWNED PREFERENCE FORM

Unless a greater preference is applicable and allowed by law, in accordance with Minn. Stat. §16C.16, subd. 6a, the state will award a 6% preference on state procurement to certified small businesses that are majority owned and operated by veterans.

Veteran-Owned Preference Requirements - *See* Minn. Stat. § 16C.19(d):

1) The business has been certified by the Department of Administration/Materials Management Division as being a veteran-owned or service-disabled veteran-owned small business.

   or

2) The principal place of business is in Minnesota AND the United States Department of Veterans Affairs verifies the business as being a veteran-owned or service-disabled veteran-owned small business under Public Law 109-461 and Code of Federal Regulations, title 38, part 74 (Supported By Documentation).

Statutory requirements and appropriate documentation must be met **by the solicitation response due date and time** to be awarded the veteran-owned preference.

Claim the Preference

By signing below I confirm that:

My company is claiming the veteran-owned preference afforded by Minn. Stat. § 16C.16, subd. 6a. By making this claim, I verify that:

- The business has been certified by the Department of Administration/Materials Management Division as being a veteran-owned or service-disabled veteran-owned small business.

  or
- My company's principal place of business is in Minnesota **and** the United States Department of Veteran's Affairs verifies my company as being a veteran-owned or service-disabled veteran-owned small business (Supported By Attached Documentation)

Name of Company: _____ Date: _____

Authorized Signature: _____ Telephone:_____

Printed Name: _____ Title: _____

Attach documentation, sign, and return this form with your solicitation response to claim the veteran-owned preference.

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EXHIBIT C

CERTIFICATION REGARDING LOBBYING

For State of Minnesota Contracts and Grants over $100,000

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

_____
Organization Name

_____
Name and Title of Official Signing for Organization

By: _____
Signature of Official

_____
Date

Rev. 01/16

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EXHIBIT D

Affidavit of Noncollusion

State of Minnesota
Request for Proposals

Firm Name:

Instructions: Please return your completed form as part of the Response submittal.

I swear (or affirm) under the penalty of perjury:

1. That I am the Responder (if the Responder is an individual), a partner in the company (if the Responder is a partnership), or an officer or employee of the responding corporation having authority to sign on its behalf (if the Responder is a corporation).
2. That the attached proposal submitted in response to the _____ Request for Proposals has been arrived at by the Responder independently and has been submitted without collusion with and without any agreement, understanding or planned common course of action with, any other Responder of materials, supplies, equipment, or services described in the Request for Proposals, designed to limit fair and open competition.
3. That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not an employee or agent of the Responder and will not be communicated to any such persons prior to the official opening of the proposals.
4. That I am fully informed regarding the accuracy of the statements made in this affidavit.

Authorized Signature

Responder's firm name: _____

Print authorized representative name: _____ Title: _____

Authorized signature: _____ Date (mm/dd/yyyy): _____

Notary Public

Subscribed and sworn to before me this:

_____ day of _____, _____

_____
Notary Public signature

_____
Commission expires (mm/dd/yyyy)

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State of Minnesota - Equal Pay Certificate

EXHIBIT E

If your response could be in excess of $500,000, please complete and submit this form with your submission. **It is your sole responsibility to provide the information requested and when necessary to obtain an Equal Pay Certificate (Equal Pay Certificate) from the Minnesota Department of Human Rights (MDHR) prior to contract execution. You must supply this document with your submission.** Please contact MDHR with questions at: 651-539-1095 (metro), 1-800-657-3704 (toll free), 711 or 1-800-627-3529 (MN Relay) or email at compliance.MDHR@state.mn.us.

Option A – If you have employed 40 or more full-time employees on any single working day during the previous 12 months in Minnesota or the state where you have your primary place of business, please check the applicable box below:

☐ Attached is our current MDHR Equal Pay Certificate.

☐ Attached is MDHR's confirmation of our Equal Pay Certificate application.

Option B – If you have not employed 40 or more full-time employees on any single working day during the previous 12 months in Minnesota or the state where you have your primary place of business, please check the box below.

☐ We are exempt. We agree that if we are selected we will submit to MDHR within five (5) business days of final contract execution, the names of our employees during the previous 12 months, date of separation if applicable, and the state in which the persons were employed. Documentation should be sent to compliance.MDHR@state.mn.us.

The State of Minnesota reserves the right to request additional information from you. **If you are unable to check any of the preceding boxes, please contact MDHR to avoid a determination that a contract with your organization cannot be executed.**

Your signature certifies that you are authorized to make the representations, the information provided is accurate, the State of Minnesota can rely upon the information provided, and the State of Minnesota may take action to suspend or revoke any agreement with you for any false information provided.

Authorized Signature: _____ Date: _____

Printed Name: _____ Title: _____

Organization: _____ MN/Fed Tax ID: _____

Issuing Identity: _____ Project # or Lease Address: _____

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EXHIBIT F

STATE OF MINNESOTA
RESIDENT VENDOR FORM

In accordance with Laws of Minnesota 2013, Chapter 142, Article 3, Section 16, amending Minn. Stat. § 16C.02, subd. 13, a "Resident Vendor" means a person, firm, or corporation that:

(1) is authorized to conduct business in the state of Minnesota on the date a solicitation for a contract is first advertised or announced. It includes a foreign corporation duly authorized to engage in business in Minnesota;
(2) has paid unemployment taxes or income taxes in this state during the 12 calendar months immediately preceding submission of the bid or proposal for which any preference is sought; (3) has
a business address in the state; and
(4) has affirmatively claimed that status in the bid or proposal submission.

To receive recognition as a Minnesota Resident Vendor ("Resident Vendor"), your company must meet each element of the statutory definition above by the solicitation opening date and time. If you wish to affirmatively claim Resident Vendor status, you should do so by submitting this form with your bid or proposal.

Resident Vendor status may be considered for purposes of resolving tied low bids or the application of a reciprocal preference.

I HEREBY CERTIFY THAT THE COMPANY LISTED BELOW:

1. Is authorized to conduct business in the State of Minnesota on the date a solicitation for a contract is first advertised or announced. *(This includes a foreign corporation duly authorized to engage in business in Minnesota.)*
   ___Yes ___No (must check yes or no)

2. Has paid unemployment taxes or income taxes in the State of Minnesota during the 12 calendar months immediately preceding submission of the bid or proposal for which any preference is sought.
   ___Yes ___No (must check yes or no)

3. Has a business address in the State of Minnesota.
   ___Yes ___No (must check yes or no)

4. Agrees to submit documentation, if requested, as part of the bid or proposal process, to verify compliance with the above statutory requirements.
   ___Yes ___No (must check yes or no)

BY SIGNING BELOW, you are certifying your compliance with the requirements set forth herein and claiming Resident Vendor status in your bid or proposal submission.

Name of Company: _____ Date: _____

Authorized Signature: _____ Telephone: _____

Printed Name: _____ Title: _____

IF YOU ARE CLAIMING RESIDENT VENDOR STATUS, <u>SIGN AND RETURN</u> THIS FORM WITH YOUR BID OR PROPOSAL SUBMISSION.

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EXHIBIT G

If you take exception to any of the terms, conditions or language in the contract, you must indicate those exceptions in your response to the RFP; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

Professional and Technical Services Contract

State of Minnesota

SWIFT Contract No.:

This Contract is between the State of Minnesota, acting through its _____ ("State") and _____ ("Contractor").

Recitals

1. Under Minn. Stat. § 15.061 the State is empowered to engage such assistance as deemed necessary.
2. The State is in need of _____.
3. The Contractor represents that it is duly qualified and agrees to perform all services described in this Contract to the satisfaction of the State.

Contract

1. Term of Contract

1.1 Effective date: _____, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.

1.2 Expiration date: _____, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 Survival of terms: The following clauses survive the expiration or cancellation of this Contract: 8. Indemnification;
9. State audits; 10. Government data practices and intellectual property; 14. Publicity and endorsement; 15. Governing law, jurisdiction, and venue; and 16. Data disclosure.

2. Contractor's duties

The Contractor, who is not a State employee, will:

_____

_____

3. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

4. Consideration and payment

4.1 Consideration. The State will pay for all services performed by the Contractor under this Contract as follows:

(a) Compensation. The Contractor will be paid $_____.

(b) Travel expenses. Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Contract will not exceed $_____; provided that the Contractor will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" established by the Commissioner of Minnesota Management and Budget which is incorporated in to this Contract by reference. The Contractor will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written

SAMPLE

approval for out-of-state travel. Minnesota will be considered the home state for determining whether travel is out of state.

(c) *Total obligation.* The total obligation of the State for all compensation and reimbursements to the Contractor under this Contract will not exceed $ _____.

4.2 Payment.

(a) *Invoices.* The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule:

_____

_____

(b) *Retainage.* Under Minn. Stat. § 16C.08, subd. 2 (10), no more than 90 percent of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due will be paid when the State's agency head determines that the Contractor has satisfactorily fulfilled all the terms of this Contract.

(c) *Federal funds.* (Where applicable, if blank this section does not apply.) Payments under this Contract will be made from federal funds obtained by the State through _____. The Contractor is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the Contractor's failure to comply with federal requirements.

5. Conditions of payment

All services provided by the Contractor under this Contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations including business registration requirements of the Office of the Secretary of State. The Contractor will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Authorized Representative

The State's Authorized Representative is _____, or his/her successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is _____, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

7. Assignment, amendments, waiver, and contract complete

7.1 Assignment. The Contractor may neither assign nor transfer any rights or obligations under this Contract without the prior consent of the State and a fully executed assignment agreement, executed and approved by the same parties who executed and approved this Contract, or their successors in office.

7.2 Amendments. Any amendment to this Contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Contract, or their successors in office.

7.3 Waiver. If the State fails to enforce any provision of this Contract, that failure does not waive the provision or its right to enforce it.

7.4 Contract complete. This Contract contains all negotiations and agreements between the State and the Contractor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

8. Indemnification

In the performance of this Contract by Contractor, or Contractor's agents or employees, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Contractor's:

a) Intentional, willful, or negligent acts or omissions; or
b) Actions that give rise to strict liability; or
c) Breach of contract or warranty.

SAMPLE

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Contract.

9. State audits

Under Minn. Stat. § 16C.05, subd. 5, the Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Contract.

10. Government data practices and intellectual property

10.1 Government data practices. The Contractor and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. ch. 13, by either the Contractor or the State.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with the State's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

10.2 Intellectual property rights.

(a) Intellectual property rights. The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the works and documents created and paid for under this Contract. The "works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. "Works" includes documents. The "documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract. The documents will be the exclusive property of the State and all such documents must be immediately returned to the State by the Contractor upon completion or cancellation of this Contract. To the extent possible, those works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the works and the documents to the State. The Contractor must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the works and documents.

(b) Obligations

(1) Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the State's Authorized Representative with complete information and/or disclosure thereon.

(2) Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the works and documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the works and documents. The Contractor represents and warrants that the works and documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, the Contractor will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the works or documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

SAMPLE

11. Workers' compensation and other insurance

Contractor certifies that it is in compliance with all insurance requirements specified in the solicitation document relevant to this Contract. Contractor shall not commence work under the Contract until they have obtained all the insurance specified in the solicitation document. Contractor shall maintain such insurance in force and effect throughout the term of the Contract.

Further, the Contractor certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Contractor's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the State's obligation or responsibility.

12. Debarment by State, its departments, commissions, agencies, or political subdivisions

Contractor certifies that neither it nor its principals is presently debarred or suspended by the State, or any of its departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to the State's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

13. Certification regarding debarment, suspension, ineligibility, and voluntary exclusion

Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore Contractor certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. Contractor's certification is a material representation upon which the Contract award was based.

14. Publicity and endorsement

14.1 Publicity. Any publicity regarding the subject matter of this Contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

14.2 Endorsement. The Contractor must not claim that the State endorses its products or services.

15. Governing law, jurisdiction, and venue

Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

16. Data disclosure

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the Contractor consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the Contractor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

17. Payment to subcontractors

(If applicable) As required by Minn. Stat. § 16A.1245, the prime Contractor must pay all subcontractors, less any retainage, within 10 calendar days of the prime Contractor's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

18. Termination

18.1 Termination by the State. The State or Commissioner of Administration may cancel this Contract at any time, with or without cause, upon 30 days' written notice to the Contractor. Upon termination, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

18.2 Termination for insufficient funding. The State may immediately terminate this Contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to

SAMPLE

the Contractor. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the Contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Contractor notice of the lack of funding within a reasonable time of the State's receiving that notice.

19. Non-discrimination (In accordance with Minn. Stat. § 181.59)

The Contractor will comply with the provisions of Minn. Stat. § 181.59 which require:

"Every contract for or on behalf of the state of Minnesota, or any county, city, town, township, school, school district, or any other district in the state, for materials, supplies, or construction shall contain provisions by which the contractor agrees:

(1) that, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or vendor, shall, by reason of race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates;

(2) that no contractor, material supplier, or vendor, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color;

(3) that a violation of this section is a misdemeanor; and

(4) that this contract may be canceled or terminated by the state, county, city, town, school board, or any other person authorized to grant the contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract."

[Delete this section if your total Contract value is under $100,000]

20. Affirmative action requirements for contracts in excess of $100,000 and if the Contractor has more than 40 full-time employees in Minnesota or its principal place of business

The State intends to carry out its responsibility for requiring affirmative action by its contractors.

20.1 Covered contracts and contractors. If the Contract exceeds $100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business, then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600. A contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

20.2 Minn. Stat. § 363A.36. Minn. Stat. § 363A.36 requires the Contractor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

20.3 Minn. R. 5000.3400-5000.3600.

(a) General. Minn. R. 5000.3400-5000.3600 implements Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400-5000.3600 including, but not limited to, Minn. R. 5000.3420-5000.3500 and 5000.3552-5000.3559.

(b) Disabled Workers. The Contractor must comply with the following affirmative action requirements for disabled workers.

(1) The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(2) The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

SAMPLE

(3) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(4) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.

(5) The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. § 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

(c) Consequences. The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.

(d) Certification. The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

21. E-Verify certification (In accordance with Minn. Stat. § 16C.075)

For services valued in excess of $50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the *E-Verify Subcontractor Certification Form* available at http://www.mmd.admin.state.mn.us/doc/EverifySubCertForm.doc. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

22. Certification of Nondiscrimination (In accordance with Minn. Stat. § 16C.053)

The following term applies to any contract for which the value, including all extensions, is $50,000 or more: Contractor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the vendor's business. For purposes of this section, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

1. State Encumbrance Verification
Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05

Print name: _____

Signature: _____

Title: _____ Date: _____

SWIFT Contract No.: _____

3. State Agency
With delegated authority

Print name: _____

Signature: _____

Title: _____ Date: _____

SAMPLE

2. Contractor
The Contractor certifies that the appropriate person(s) have executed the Contract on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.

Print name: _____

Signature: _____

Title: _____ Date: _____

Print name: _____

Signature: _____

Title: _____ Date: _____

4. Commissioner of Administration
As delegated to the Office of State Procurement

Print name: _____

Signature: _____

Title: _____ Date: _____

Print name: _____

Signature: _____

Title: _____ Date: _____

Distribution:
- Agency
- Contractor
- State's Authorized Representative – photo copy

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EXHIBIT H

VPAT
Section 508 of the Rehabilitation Act

It is strongly recommended Technical Staff who are trained in Accessibility complete this form.

For terminology and other guidance on how to complete this document, please read "Vendor VPAT Guidance" in the "Products" tab of the IT Procurement section of the MN.IT Accessibility site (http://mn.gov/mnit/programs/accessibility/it-procurement.jsp).

Notes for those completing the form:
The third column always denotes whether your technology supports the specification outlined in the second column.
The fourth and final column is always for explanatory comments. **You must complete this column in every row to further define how accessibility is or is not met.** The quality of the comments impacts the reviewers' understanding of the accessibility of your product/service.

1194.21: Software Applications and Operating Systems

Item	Description	Supports?/ Supporting Features	Comments
(a)	When software is designed to run on a system that has a keyboard, product functions shall be executable from a keyboard where the function itself or the result of performing a function can be discerned textually.		
(b)	Applications shall not disrupt or disable activated features of other products that are identified as accessibility features, where those features are developed and documented according to industry standards. Applications also shall not disrupt or disable activated features of any operating system that are identified as accessibility features where the application programming interface for those accessibility features has been documented by the manufacturer of the operating system and is available to the product developer.		

Item	Description	Supports?/ Supporting Features	Comments
(c)	A well-defined on-screen indication of the current focus shall be provided that moves among interactive interface elements as the input focus changes. The focus shall be programmatically exposed so that Assistive Technology can track focus and focus changes.		
(d)	Sufficient information about a user interface element including the identity, operation and state of the element shall be available to Assistive Technology. When an image represents a program element, the information conveyed by the image must also be available in text.		
(e)	When bitmap images are used to identify controls, status indicators, or other programmatic elements, the meaning assigned to those images shall be consistent throughout an application's performance.		
(f)	Textual information shall be provided through operating system functions for displaying text. The minimum information that shall be made available is text content, text input caret location, and text attributes.		
(g)	Applications shall not override user selected contrast and color selections and other individual display attributes.		
(h)	When animation is displayed, the information shall be displayable in at least one non-animated presentation mode at the option of the user.		
(i)	Color coding shall not be used as the only means of conveying information, indicating an action, prompting a response, or distinguishing a visual element.		

Item	Description	Supports?/ Supporting Features	Comments
(j)	When a product permits a user to adjust color and contrast settings, a variety of color selections capable of producing a range of contrast levels shall be provided.		
(k)	Software shall not use flashing or blinking text, objects, or other elements having a flash or blink frequency greater than 2 Hz and lower than 55 Hz.		
(l)	When electronic forms are used, the form shall allow people using Assistive Technology to access the information, field elements, and functionality required for completion and submission of the form, including all directions and cues.		

1194.22: Web-based Internet information and communications

Item	Description	Supports?/ Supporting Features	Comments
(a)	A text equivalent for every non-text element shall be provided (e.g., via "alt," "longdesc," or in element content).		
(b)	Equivalent alternatives for any multimedia presentation shall be synchronized with the presentation.		
(c)	Web pages shall be designed so that all information conveyed with color is also available without color, for example from context or markup.		
(d)	Documents shall be organized so they are readable without requiring an associated style sheet.		
(e)	Redundant text links shall be provided for each active region of a server-side image map.		

Item	Description	Supports?/ Supporting Features	Comments
(f)	Client-side image maps shall be provided instead of server-side image maps except where the regions cannot be defined with an available geometric shape.		
(g)	Row and column headers shall be identified for data tables.		
(h)	Markup shall be used to associate data cells and header cells for data tables that have two or more logical levels of row or column headers.		
(i)	Frames shall be titled with text that facilitates frame identification and navigation		
(j)	Pages shall be designed to avoid causing the screen to flicker with a frequency greater than 2 Hz and lower than 55 Hz.		
(k)	A text-only page, with equivalent information or functionality, shall be provided to make a website comply with the provisions of this part, when compliance cannot be accomplished in any other way. The content of the text-only page shall be updated whenever the primary page changes.		
(l)	When pages utilize scripting languages to display content, or to create interface elements, the information provided by the script shall be identified with functional text that can be read by Assistive Technology.		
(m)	When a web page requires that an applet, plug-in or other application be present on the client system to interpret page content, the page must provide a link to a plug-in or applet that complies with §1194.21(a) through (l).		

Item	Description	Supports?/ Supporting Features	Comments
(n)	When electronic forms are designed to be completed online, the form shall allow people using Assistive Technology to access the information, field elements, and functionality required for completion and submission of the form, including all directions and cues.		
(o)	A method shall be provided that permits users to skip repetitive navigation links.		
(p)	When a timed response is required, the user shall be alerted and given sufficient time to indicate more time is required.		

1194.23: Telecommunications products

Item	Description	Supports?/ Supporting Features	Comments (provide comments even when you determine that the standard doesn't apply to your product)
(a)	Telecommunications products or systems which provide a function allowing voice communication and which do not themselves provide a TTY functionality shall provide a standard non-acoustic connection point for TTYs. Microphones shall be capable of being turned on and off to allow the user to intermix speech with TTY use.		
(b)	Telecommunications products which include voice communication functionality shall support all commonly used cross-manufacturer non-proprietary standard TTY signal protocols.		
(c)	Voice mail, auto-attendant, and interactive voice response telecommunications systems shall be usable by TTY users with their TTYs.		

Item	Description	Supports?/ Supporting Features	Comments (provide comments even when you determine that the standard doesn't apply to your product)
(d)	Voice mail, messaging, auto-attendant, and interactive voice response telecommunications systems that require a response from a user within a time interval, shall give an alert when the time interval is about to run out, and shall provide sufficient time for the user to indicate more time is required.		
(e)	Where provided, caller identification and similar telecommunications functions shall also be available for users of TTYs, and for users who cannot see displays.		
(f)	For transmitted voice signals, telecommunications products shall provide a gain adjustable up to a minimum of 20 dB. For incremental volume control, at least one intermediate step of 12 dB of gain shall be provided.		
(g)	If the telecommunications product allows a user to adjust the receive volume, a function shall be provided to automatically reset the volume to the default level after every use.		
(h)	Where a telecommunications product delivers output by an audio transducer which is normally held up to the ear, a means for effective magnetic wireless coupling to hearing technologies shall be provided.		
(i)	Interference to hearing technologies (including hearing aids, cochlear implants, and assistive listening devices) shall be reduced to the lowest possible level that allows a user of hearing technologies to utilize the telecommunications product.		

Item	Description	Supports?/ Supporting Features	Comments (provide comments even when you determine that the standard doesn't apply to your product)
(j)	Products that transmit or conduct information or communication, shall pass through cross-manufacturer, non-proprietary, industry-standard codes, translation protocols, formats or other information necessary to provide the information or communication in a usable format. Technologies which use encoding, signal compression, format transformation, or similar techniques shall not remove information needed for access or shall restore it upon delivery.		
(k1)	Products which have mechanically operated controls or keys shall comply with the following: Controls and Keys shall be tactilely discernible without activating the controls or keys.		
(k2)	Products which have mechanically operated controls or keys shall comply with the following: Controls and Keys shall be operable with one hand and shall not require tight grasping, pinching, twisting of the wrist. The force required to activate controls and keys shall be 5 lbs. (22.2N) maximum.		
(k3)	Products which have mechanically operated controls or keys shall comply with the following: If key repeat is supported, the delay before repeat shall be adjustable to at least 2 seconds. Key repeat rate shall be adjustable to 2 seconds per character.		

Item	Description	Supports?/ Supporting Features	Comments (provide comments even when you determine that the standard doesn't apply to your product)
(k4)	Products which have mechanically operated controls or keys shall comply with the following: The status of all locking or toggle controls or keys shall be visually discernible, and discernible either through touch or sound.		

1194.24: Video and Multi-media products

Item	Description	Supports?/ Supporting Features	Comments
(a)	All analog television displays 13 inches and larger, and computer equipment that includes analog television receiver or display circuitry, shall be equipped with caption decoder circuitry which appropriately receives, decodes, and displays closed captions from broadcast, cable, videotape, and DVD signals. As soon as practicable, but not later than July 1, 2002, widescreen digital television (DTV) displays measuring at least 7.8 inches vertically, DTV sets with conventional displays measuring at least 13 inches vertically, and stand-alone DTV tuners, whether or not they are marketed with display screens, and computer equipment that includes DTV receiver or display circuitry, shall be equipped with caption decoder circuitry which appropriately receives, decodes, and displays closed captions from broadcast, cable, videotape, and DVD signals.		
(b)	Television tuners, including tuner cards for use in computers, shall be equipped with secondary audio program playback circuitry.		

Item	Description	Supports?/ Supporting Features	Comments
(c)	All training and informational video and multimedia productions which support the agency's mission, regardless of format, that contain speech or other audio information necessary for the comprehension of the content, shall be open or closed captioned.		
(d)	All training and informational video and multimedia productions which support the agency's mission, regardless of format, that contain visual information necessary for the comprehension of the content, shall be audio described.		
(e)	Display or presentation of alternate text presentation or audio descriptions shall be user-selectable unless permanent.		

1194.25: Self-Contained, Closed products

Item	Description	Supports?/ Supporting Features	Comments
(a)	Self contained products shall be usable by people with disabilities without requiring an end-user to attach Assistive Technology to the product. Personal headsets for private listening are not Assistive Technology.		
(b)	When a timed response is required, the user shall be alerted and given sufficient time to indicate more time is required.		
(c)	Where a product utilizes touchscreens or contact-sensitive controls, an input method shall be provided that complies with §1194.23 (k) (1) through (4).		

Item	Description	Supports?/ Supporting Features	Comments
(d)	When biometric forms of user identification or control are used, an alternative form of identification or activation, which does not require the user to possess particular biological characteristics, shall also be provided.		
(e)	When products provide auditory output, the audio signal shall be provided at a standard signal level through an industry standard connector that will allow for private listening. The product must provide the ability to interrupt, pause, and restart the audio at anytime.		
(f)	When products deliver voice output in a public area, incremental volume control shall be provided with output amplification up to a level of at least 65 dB. Where the ambient noise level of the environment is above 45 dB, a volume gain of at least 20 dB above the ambient level shall be user selectable. A function shall be provided to automatically reset the volume to the default level after every use.		
(g)	Color coding shall not be used as the only means of conveying information, indicating an action, prompting a response, or distinguishing a visual element.		
(h)	When a product permits a user to adjust color and contrast settings, a range of color selections capable of producing a variety of contrast levels shall be provided.		
(i)	Products shall be designed to avoid causing the screen to flicker with a frequency greater than 2 Hz and lower than 55 Hz.		

Item	Description	Supports?/ Supporting Features	Comments
(j1)	Products which are freestanding, non-portable, and intended to be used in one location and which have operable controls shall comply with the following: The position of any operable control shall be determined with respect to a vertical plane, which is 48 inches in length, centered on the operable control, and at the maximum protrusion of the product within the 48 inch length on products which are freestanding, non-portable, and intended to be used in one location and which have operable controls.		
(j2)	Products which are freestanding, non-portable, and intended to be used in one location and which have operable controls shall comply with the following: Where any operable control is 10 inches or less behind the reference plane, the height shall be 54 inches maximum and 15 inches minimum above the floor.		
(j3)	Products which are freestanding, non-portable, and intended to be used in one location and which have operable controls shall comply with the following: Where any operable control is more than 10 inches and not more than 24 inches behind the reference plane, the height shall be 46 inches maximum and 15 inches minimum above the floor.		
(j4)	Products which are freestanding, non-portable, and intended to be used in one location and which have operable controls shall comply with the following: Operable controls shall not be more than 24 inches behind the reference plane.		

1194.26: Desktop and Portable Computers

Item	Description	Supports?/ Supporting Features	Comments
(a)	All mechanically operated controls and keys shall comply with §1194.23 (k) (1) through (4).		
(b)	If a product utilizes touchscreens or touch-operated controls, an input method shall be provided that complies with §1194.23 (k) (1) through (4).		
(c)	When biometric forms of user identification or control are used, an alternative form of identification or activation, which does not require the user to possess particular biological characteristics, shall also be provided.		
(d)	Where provided, at least one of each type of expansion slots, ports and connectors shall comply with publicly available industry standards		

1194.31: Functional Performance Criteria

Item	Description	Supports?/ Supporting Features	Comments
(a)	At least one mode of operation and information retrieval that does not require user vision shall be provided, or support for Assistive Technology used by people who are blind or visually impaired shall be provided.		
(b)	At least one mode of operation and information retrieval that does not require visual acuity greater than 20/70 shall be provided in audio and enlarged print output working together or independently, or support for Assistive Technology used by people who are visually impaired shall be provided.		
(c)	At least one mode of operation and information retrieval that does not require user hearing shall be provided, or support for Assistive Technology used by people who are deaf or hard of hearing shall be provided		
(d)	Where audio information is important for the use of a product, at least one mode of operation and information retrieval shall be provided in an enhanced auditory fashion, or support for assistive hearing devices shall be provided.		
(e)	At least one mode of operation and information retrieval that does not require user speech shall be provided, or support for Assistive Technology used by people with disabilities shall be provided.		
(f)	At least one mode of operation and information retrieval that does not require fine motor control or simultaneous actions and that is operable with limited reach and strength shall be provided.		

1194.41: Information, Documentation, and Support

Item	Description	Supports?/ Supporting Features	Comments
(a)	Product support documentation provided to end-users shall be made available in alternate formats upon request, at no additional charge		
(b)	End-users shall have access to a description of the accessibility and compatibility features of products in alternate formats or alternate methods upon request, at no additional charge.		
(c)	Support services for products shall accommodate the communication needs of end-users with disabilities.		

EXHIBIT I

VPAT
Web Content Accessibility Guidelines 2.0 level AA

It is strongly recommended technical staff who are trained in accessibility complete this form. For terminology and other guidance on how to complete this document, please read "Vendor VPAT Guidance" in the "Products" tab of the IT Procurement section of the MN.IT Accessibility site (http://mn.gov/mnit/programs/accessibility/it-procurement.jsp).

Notes for those completing the form:

- The third column always denotes whether your technology supports the specification outlined in the second column.
- The fourth and final column is always for explanatory comments. **You must complete this column in every row to further define how accessibility is or is not met.** The quality of the comments impacts the reviewers' understanding of the accessibility of your product/service. NOTE: Minnesota's standards include levels A and AA. This list includes level AAA standards, which are optional, marked with "AAA," and highlighted in yellow. Comments are not required for level AAA.

Note for software vendors: this document applies to all applications whether accessed via browser or OS ("thick client").

Principle 1: Perceivable – information and user interface components must be presentable to users in ways they can perceive.*Guideline 1.1 Text Alternatives: Provide text alternatives for any non-text content so that it can be changed into other forms people need, such as large print, braille, speech, symbols or simpler language.*

Item	Description	Supports?/ Supporting Features	Comments
1.1.1	Non-Text Content: All non-text content that is presented to the user has a text alternative that serves the equivalent purpose, except for the situations listed below (Level A). Controls, Input: If non-text content is a control or accepts user input, then it has a name that describes its purpose. (Refer to Guideline 4.1 for additional requirements for controls and content that accepts user input.) Time-Based Media: If non-text content is time-based media, then text alternatives at least provide descriptive identification of the non-text content. (Refer to Guideline 1.2 for the additional requirements for media.) Test: If non-text content is a test or exercise that would be invalid if presented in text, then text alternatives at least provide descriptive identification of the non-text content. Sensory: If non-text content is primarily intended to create a specific sensory experience, then text alternatives at least provide descriptive identification of the non-text content. CAPTCHA: If the purpose of non-text content is to confirm that content is being accessed by a person rather than a computer, then text alternatives that identify and describe the purpose of the non-text content are provided, and alternative forms of CAPTCHA using output modes for different types of sensory perception are provided to accommodate different disabilities.		
1.1.1	Decorative, Formatting, Invisible: If non-text content is pure decoration, is used only for visual formatting, or is not presented to users, then it is implemented in a way that it can be ignored by assistive technology.		

Guideline 1.2 Time-based Media: Provide alternatives for time-based media.

Item	Description	Supports?/ Supporting Features	Comments
1.2.1	Audio-Only and Video-Only (Prerecorded): For prerecorded audio-only and prerecorded video-only media, the following are true, except when the audio or video is a media alternative for text and is clearly labeled as such (Level A): • Prerecorded Audio-Only: An alternative for time-based media is provided that presents equivalent information for prerecorded audio-only content. • Prerecorded Video-Only: Either an alternative for time-based media or an audio track is provided that presents equivalent information for prerecorded video-only content.		
1.2.2	Captions (Prerecorded): Captions are provided for all prerecorded audio content in synchronized media, except when the media is a media alternative for text and is clearly labeled as such. (Level A)		
1.2.3	Audio Description or Media Alternative (Prerecorded): An alternative for time-based media or audio description of the prerecorded video content is provided for synchronized media, except when the media is a media alternative for text and is clearly labeled as such. (Level A)		
1.2.4	Captions (Live): Captions are provided for all live audio content in synchronized media. (Level AA)		
1.2.5	Audio Description (Prerecorded): Audio description is provided for all prerecorded video content in synchronized media. (Level AA)		
1.2.6	Sign Language (Prerecorded): Sign language interpretation is provided for all prerecorded audio content in synchronized media. (Level AAA)		
1.2.7	Extended Audio Description (Prerecorded): Where pauses in foreground audio are insufficient to allow audio descriptions to convey the sense of the video, extended audio description is provided for all prerecorded video content in synchronized media. (Level AAA)		
1.2.8	Media Alternative (Prerecorded): An alternative for time-based media is provided for all prerecorded synchronized media and for all prerecorded video-only media. (Level AAA)		

Item	Description	Supports?/ Supporting Features	Comments
1.2.9	Audio-Only (Live): An alternative for time-based media that presents equivalent information for live audio-only content is provided. (Level AAA)		

Guideline 1.3 Adaptable: Create content that can be presented in different ways (for example simpler layout) without losing information or structure.

Item	Description	Supports?/ Supporting Features	Comments
1.3.1	Info and Relationships: Information, structure, and relationships conveyed through presentation can be programmatically determined or are available in text. (Level A)		
1.3.2	Meaningful Sequence: When the sequence in which content is presented affects its meaning, a correct reading sequence can be programmatically determined. (Level A)		
1.3.3	Sensory Characteristics: Instructions provided for understanding and operating content do not rely solely on sensory characteristics of components such as shape, size, visual location, orientation, or sound. (Level A)		

Guideline 1.4 Distinguishable: Make it easier for users to see and hear content including separating foreground from background.

Item	Description	Supports?/ Supporting Features	Comments
1.4.1	Use of Color: Color is not used as the only visual means of conveying information, indicating an action, prompting a response, or distinguishing a visual element. (Level A)		
1.4.2	Audio Control: If any audio on a Web page plays automatically for more than 3 seconds, either a mechanism is available to pause or stop the audio, or a mechanism is available to control audio volume independently from the overall system volume level. (Level A)		

Item	Description	Supports?/ Supporting Features	Comments
1.4.3	Contrast (Minimum): The visual presentation of text and images of text has a contrast ratio of at least 4.5:1, except for the following: (Level AA) • Large Text: Large-scale text and images of large-scale text have a contrast ratio of at least 3:1; • Incidental: Text or images of text that are part of an inactive user interface component, that are pure decoration, that are not visible to anyone, or that are part of a picture that contains significant other visual content, have no contrast requirement. • Logotypes: Text that is part of a logo or brand name has no minimum contrast requirement.		
1.4.4	Resize text: Except for captions and images of text, text can be resized without assistive technology up to 200 percent without loss of content or functionality. (Level AA)		
1.4.5	Images of Text: If the technologies being used can achieve the visual presentation, text is used to convey information rather than images of text except for the following: (Level AA) • Customizable: The image of text can be visually customized to the user's requirements; • Essential: A particular presentation of text is essential to the information being conveyed.		
1.4.6	Contrast (Enhanced): The visual presentation of text and images of text has a contrast ratio of at least 7:1, except for the following: (Level AAA) • Large Text: Large-scale text and images of large-scale text have a contrast ratio of at least 4.5:1; • Incidental: Text or images of text that are part of an inactive user interface component, that are pure decoration, that are not visible to anyone, or that are part of a picture that contains significant other visual content, have no contrast requirement. • Logotypes: Text that is part of a logo or brand name has no minimum contrast requirement.		

Item	Description	Supports?/ Supporting Features	Comments
1.4.7	Low or No Background Audio: For prerecorded audio-only content that (1) contains primarily speech in the foreground, (2) is not an audio CAPTCHA or audio logo, and (3) is not vocalization intended to be primarily musical expression such as singing or rapping, at least one of the following is true: (Level AAA) • No Background: The audio does not contain background sounds. • Turn Off: The background sounds can be turned off. • 20 dB: The background sounds are at least 20 decibels lower than the foreground speech content, with the exception of occasional sounds that last for only one or two seconds.		
1.4.8	Visual Presentation: For the visual presentation of blocks of text, a mechanism is available to achieve the following: (Level AAA) • Foreground and background colors can be selected by the user. • Width is no more than 80 characters or glyphs (40 if CJK). • Text is not justified (aligned to both the left and the right margins). • Line spacing (leading) is at least space-and-a-half within paragraphs, and paragraph spacing is at least 1.5 times larger than the line spacing. • Text can be resized without assistive technology up to 200 percent in a way that does not require the user to scroll horizontally to read a line of text on a full-screen window.		
1.4.9	Images of Text (No Exception): Images of text are only used for pure decoration or where a particular presentation of text is essential to the information being conveyed. (Level AAA)		

Principle 2: Operable - User interface components and navigation must be operable.

Guideline 2.1 Keyboard Accessible: Make all functionality available from a keyboard.

Item	Description	Supports?/ Supporting Features	Comments
2.1.1	Keyboard: All functionality of the content is operable through a keyboard interface without requiring specific timings for individual keystrokes, except where the underlying function requires input that depends on the path of the user's movement and not just the endpoints. (Level A)		
2.1.2	No Keyboard Trap: If keyboard focus can be moved to a component of the page using a keyboard interface, then focus can be moved away from that component using only a keyboard interface, and, if it requires more than unmodified arrow or tab keys or other standard exit methods, the user is advised of the method for moving focus away. (Level A)		
2.1.3	Keyboard (No Exception): All functionality of the content is operable through a keyboard interface without requiring specific timings for individual keystrokes. (Level AAA)		

Guideline 2.2 Enough Time: Provide users enough time to read and use content.

Item	Description	Supports?/ Supporting Features	Comments
2.2.1	Timing Adjustable: For each time limit that is set by the content, at least one of the following is true: (Level A) • Turn off: The user is allowed to turn off the time limit before encountering it; or • Adjust: The user is allowed to adjust the time limit before encountering it over a wide range that is at least ten times the length of the default setting; or • Extend: The user is warned before time expires and given at least 20 seconds to extend the time limit with a simple action (for example, "press the space bar"), and the user is allowed to extend the time limit at least ten times; or • Real-time Exception: The time limit is a required part of a real-time event (for example, an auction), and no alternative to the time limit is possible; or • Essential Exception: The time limit is essential and extending it would invalidate the activity; or • 20 Hour Exception: The time limit is longer than 20 hours.		
2.2.2	Pause, Stop, Hide: For moving, blinking, scrolling, or auto-updating information, all of the following are true: (Level A) • Moving, blinking, scrolling: For any moving, blinking or scrolling information that (1) starts automatically, (2) lasts more than five seconds, and (3) is presented in parallel with other content, there is a mechanism for the user to pause, stop, or hide it unless the movement, blinking, or scrolling is part of an activity where it is essential; and • Auto-updating: For any auto-updating information that (1) starts automatically and (2) is presented in parallel with other content, there is a mechanism for the user to pause, stop, or hide it or to control the frequency of the update unless the auto-updating is part of an activity where it is essential.		

Item	Description	Supports?/ Supporting Features	Comments
2.2.3	No Timing: Timing is not an essential part of the event or activity presented by the content, except for non-interactive synchronized media and real-time events. (Level AAA)		
2.2.4	Interruptions: Interruptions can be postponed or suppressed by the user, except interruptions involving an emergency. (Level AAA)		
2.2.5	Re-authenticating: When an authenticated session expires, the user can continue the activity without loss of data after re-authenticating. (Level AAA)		

Guideline 2.3 Seizures: Do not design content in a way that is known to cause seizures.

Item	Description	Supports?/ Supporting Features	Comments
2.3.1	Three Flashes or Below Threshold: Web pages do not contain anything that flashes more than three times in any one second period, or the flash is below the general flash and red flash thresholds. (Level A)		
2.3.2	Three Flashes: Web pages do not contain anything that flashes more than three times in any one second period. (Level AAA)		

Guideline 2.4 Navigable: Provide ways to help users navigate, find content, and determine where they are.

Item	Description	Supports?/ Supporting Features	Comments
2.4.1	Bypass Blocks: A mechanism is available to bypass blocks of content that are repeated on multiple Web pages. (Level A)		
2.4.2	Page Titled: Web pages have titles that describe topic or purpose. (Level A)		
2.4.3	Focus Order: If a Web page can be navigated sequentially and the navigation sequences affect meaning or operation, focusable components receive focus in an order that preserves meaning and operability. (Level A)		

Item	Description	Supports?/ Supporting Features	Comments
2.4.4	Link Purpose (In Context): The purpose of each link can be determined from the link text alone or from the link text together with its programmatically determined link context, except where the purpose of the link would be ambiguous to users in general. (Level A)		
2.4.5	Multiple Ways: More than one way is available to locate a Web page within a set of Web pages except where the Web Page is the result of, or a step in, a process. (Level AA)		
2.4.6	Headings and Labels: Headings and labels describe topic or purpose. (Level AA)		
2.4.7	Focus Visible: Any keyboard operable user interface has a mode of operation where the keyboard focus indicator is visible. (Level AA)		
2.4.8	Location: Information about the user's location within a set of Web pages is available. (Level AAA)		
2.4.9	Link Purpose (Link Only): A mechanism is available to allow the purpose of each link to be identified from link text alone, except where the purpose of the link would be ambiguous to users in general. (Level AAA)		
2.4.10	Section Headings: Section headings are used to organize the content. (Level AAA)		

Principle 3: Understandable - Information and the operation of user interface must be understandable.

Guideline 3.1 Readable: Make text content readable and understandable.

Item	Description	Supports?/ Supporting Features	Comments
3.1.1	Language of Page: The default human language of each Web page can be programmatically determined. (Level A)		
3.1.2	Language of Parts: The human language of each passage or phrase in the content can be programmatically determined except for proper names, technical terms, words of indeterminate language, and words or phrases that have become part of the vernacular of the immediately surrounding text. (Level AA)		

Item	Description	Supports?/ Supporting Features	Comments
3.1.3	Unusual Words: A mechanism is available for identifying specific definitions of words or phrases used in an unusual or restricted way, including idioms and jargon. (Level AAA)		
3.1.4	Abbreviations: A mechanism for identifying the expanded form or meaning of abbreviations is available. (Level AAA)		
3.1.5	Reading Level: When text requires reading ability more advanced than the lower secondary education level after removal of proper names and titles, supplemental content, or a version that does not require reading ability more advanced than the lower secondary education level, is available. (Level AAA)		
3.1.6	Pronunciation: A mechanism is available for identifying specific pronunciation of words where meaning of the words, in context, is ambiguous without knowing the pronunciation. (Level AAA)		

Guideline 3.2 Predictable: Make Web pages appear and operate in predictable ways.

Item	Description	Supports?/ Supporting Features	Comments
3.2.1	On Focus: When any component receives focus, it does not initiate a change of context. (Level A)		
3.2.2	On Input: Changing the setting of any user interface component does not automatically cause a change of context unless the user has been advised of the behavior before using the component. (Level A)		
3.2.3	Consistent Navigation: Navigational mechanisms that are repeated on multiple Web pages within a set of Web pages occur in the same relative order each time they are repeated, unless a change is initiated by the user. (Level AA)		
3.2.4	Consistent Identification: Components that have the same functionality within a set of Web pages are identified consistently. (Level AA)		
3.2.5	Change on Request: Changes of context are initiated only by user request or a mechanism is available to turn off such changes. (Level AAA)		

Guideline 3.3 Input Assistance: Help users avoid and correct mistakes.

Item	Description	Supports?/ Supporting Features	Comments
3.3.1	Error Identification: If an input error is automatically detected, the item that is in error is identified and the error is described to the user in text. (Level A)		
3.3.2	Labels or Instructions: Labels or instructions are provided when content requires user input. (Level A)		
3.3.3	Error Suggestion: If an input error is automatically detected and suggestions for correction are known, then the suggestions are provided to the user, unless it would jeopardize the security or purpose of the content. (Level AA)		
3.3.4	Error Prevention (Legal, Financial, Data): For Web pages that cause legal commitments or financial transactions for the user to occur, that modify or delete user-controllable data in data storage systems, or that submit user test responses, at least one of the following is true: (Level AA) • Reversible: Submissions are reversible. • Checked: Data entered by the user is checked for input errors and the user is provided an opportunity to correct them. • Confirmed: A mechanism is available for reviewing, confirming, and correcting information before finalizing the submission.		
3.3.5	Help: Context-sensitive help is available. (Level AAA)		
3.3.6	Error Prevention (All): For Web pages that require the user to submit information, at least one of the following is true: (Level AAA) • Reversible: Submissions are reversible. • Checked: Data entered by the user is checked for input errors and the user is provided an opportunity to correct them. • Confirmed: A mechanism is available for reviewing, confirming, and correcting information before finalizing the submission.		

Principle 4: Robust - Content must be robust enough that it can be interpreted reliably by a wide variety of user agents, including assistive technologies.

Guideline 4.1 Compatible: Maximize compatibility with current and future user agents, including assistive technologies.

Item	Description	Supports?/ Supporting Features	Comments
4.1.1	Parsing: In content implemented using markup languages, elements have complete start and end tags, elements are nested according to their specifications, elements do not contain duplicate attributes, and any IDs are unique, except where the specifications allow these features. (Level A)		
4.1.2	Name, Role, Value: For all user interface components (including but not limited to: form elements, links and components generated by scripts), the name and role can be programmatically determined; states, properties, and values that can be set by the user can be programmatically set; and notification of changes to these items is available to user agents, including assistive technologies. (Level A)		