

STATE OF WASHINGTON
DEPARTMENT OF RETIREMENT SYSTEMS
INTENT TO AWARD SOLE SOURCE CONTRACT

The Department of Retirement Systems (DRS) contemplates awarding a sole source contract to CEM Benchmarking Inc. to provide annual public pension administration benchmarking services.

CEM is the only vendor known to perform this service. Under the terms of the contract, for each fiscal year, CEM will provide:

- An extensive benchmarking report that includes performance and activity cost data from a minimum of 15 public pension administrators, each having more than 200,000 active members and annuitants. The cost data provided by each participant will be reconciled to their published comprehensive annual financial report.
- One on-site visit at DRS' location, if needed, to assist in the collection of data and to ensure understanding of comparability issues and factors that may impact the relative complexity of DRS' systems.
- One on-site presentation of the individualized report at DRS' location.
- Two copies of the individualized report, including:
 - Performance and cost data comparing DRS with data provided by its peer group
 - Analysis of data in at least 12 different activities common to public pension administration
 - Analysis of data in at least five factors that may contribute to cost differences among the peer group
 - Sufficient statistical analysis to enable DRS to assess the validity of conclusions presented
- At least one annual conference to cover current issues of interest to public pension administrators.
- One best-practice analysis each year on a common public pension administration service.
- A continuous networking service that allows public pension administrators to ask questions and receive input from each other.

The contract will be issued on or about May 1, 2013. The anticipated period of performance is July 1, 2013 through June 30, 2017, with the option to extend for two additional one-year periods. The dollar value is estimated at \$180,000.

Offerors contemplating the above requirements must submit capability statements detailing their ability to meet the state's requirements by March 22. The following information must be included in the capability statement:

- A detailed explanation of the offeror's ability to produce the contract deliverables described above.
- Examples of similar work performed.
- A description of the approach that will be used to generate sufficient participation among similar public pension administrators to ensure benchmarking usefulness and validity.

In the absence of other qualified sources, it is the state's intent to make a sole source award of the contract. Please submit questions regarding the potential sole source contract and/or a capability statement to:

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