



OFFICE OF THE ILLINOIS STATE TREASURER  
**MICHAEL W. FRERICHS**

**Request for Proposals**  
**General Investment Consultant**

November 12, 2015

Proposals due by 12:00 p.m. CT on December 15, 2015

Mr. Jim Underwood  
Chief Procurement Officer  
400 West Monroe Street, Suite 401  
Springfield, IL 62704

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## **I. OVERVIEW**

The Office of the Illinois State Treasurer (“Treasurer” or “Treasurer’s Office”) is issuing this Request for Proposals (“RFP”) for a General Investment Consultant (“Consultant”) for the Illinois Bright Start and Bright Directions College Savings Plans (“College Savings”), pursuant to 15 ILCS 505/16.5 and the Achieving a Better Life Experience savings vehicle (“ABLE”), pursuant to 15 ILCS 505/16.6. The Consultant shall assist the Treasurer’s Office in the advisement and oversight of both the College Savings and ABLE investment pools (collectively, “Pools”). Respondents must submit their Proposals by 12:00 p.m. CT on December 15, 2015. The Treasurer intends to select the Respondent with a strong investment track record; comprehensive risk management skills; and expertise in client counseling, portfolio management, and management and evaluation of equity, fixed income, real estate, and money market mutual funds, asset allocation, and behavioral finance. The successful Respondent (“Contractor”) shall enter into a contract with the Treasurer (“Agreement”) for an initial term of four (4) years. Upon expiration of this term, the Treasurer may elect to extend the Agreement for a period of time agreed upon by the parties, not to exceed a total of ten (10) years.

## **II. BACKGROUND**

The Treasurer serves as Trustee and Administrator of the Illinois College Savings plans and its investment pools (“College Savings Pool”). The College Savings Pool includes the Bright Directions College Savings Program (“Bright Directions”) as well as the Bright Start Direct College Savings Program and the Bright Start Advisor College Savings Program (collectively, “Bright Start”). The Programs are savings vehicles intended to provide for the qualified higher education expenses of beneficiaries under Section 529 of the Internal Revenue Code of 1986, as amended (the “Code”). The College Savings Pool receives no appropriations from the State of Illinois.

The plans offer enrollees a variety of investment options that suit individual needs and preferences. Participants have the freedom to create their own investment portfolio or choose a premixed portfolio that automatically rebalances, based on the beneficiary’s educational time-horizon. Participants also have the ability to diversify their portfolio by age, risk profile, and asset class. The ranges of choices are based on their risk tolerance, and they may be able to choose from actively or passively managed funds, as well as proprietary or non-proprietary funds.

Program assets are invested in portfolios provided through the program managers in accordance with the Treasurer’s Bright Start and Bright Directions Investment Policy Statements. The program managers also provide administrative services, customer service and recordkeeping, marketing, and distribution. The Respondent will be expected to work closely with the Treasurer’s Office and College Savings program managers in the evaluation and provision of investment services. The current program managers for College Savings are Union Bank & Trust for Bright Directions and Oppenheimer Funds for Bright Start.

As of June 30, 2015, the College Savings Pool administered by the Treasurer’s Office includes the following plan information:

<u>Plans</u>	<u>Unique Beneficiary Accounts</u>	<u>Assets</u>	<u>Investment Portfolios</u>
<b>Bright Directions</b>	<b>103,630</b>	<b>\$1.895 billion</b>	<b>57</b>
<b>Bright Start Direct</b>	<b>206,253</b>	<b>\$3.733 billion</b>	<b>20</b>
<b>Bright Start Advisor</b>	<b>90,772</b>	<b>\$1.976 billion</b>	<b>11</b>

The Treasurer also serves as Trustee and Administrator of ABLE and its investment pools (“ABLE Pool”). ABLE provides tax-preferred savings vehicles for qualified expenses under the applicable Section 529A of the Code. The ABLE Pool receives no appropriations from the State of Illinois.

The plan will offer enrollees a variety of investment options that suit individual needs and preferences. Participants have the freedom to create their own investment portfolio or choose a premixed portfolio that automatically rebalances, based on the beneficiary’s educational time-horizon. Participants also have the ability to diversify their portfolio by age, risk profile, and asset class. The ranges of choices will be based on their risk tolerance, and they may be able to choose from actively or passively managed funds, as well as proprietary or non-proprietary funds. Construction of the investment program is expected to begin in 2016.

### **III. SCOPE OF WORK**

The Respondent will be required to provide the following services for College Savings and ABLE programs:

1. Review current investment guidelines and relevant authority in coordination with Treasurer’s staff;
2. Prepare presentations to the Treasurer’s Office defining the risk/reward characteristics of any recommended investment guideline changes subject to statutory constraints;
3. Assist in creating an ABLE Investment Policy Statement that considers the financial condition of participants, the plan’s liquidity and distribution needs, level and nature of contributions, desired risk profile, and the risk tolerances of Treasurer’s Office;
4. Conduct an annual review of the College Savings and ABLE plan’s investment policy statements, investment guidelines, investment processes and provide best practice recommendations;

5. Conduct a bi-annual asset allocation study that includes a quantitative asset allocation analysis;
6. Review and make recommendations on the Pools' current design, portfolio structure, optimization techniques, and asset allocation strategies, including asset classes, completion strategies, and the composition of age-based and target risk profile glide paths;
7. Evaluate and monitor underlying fund manager lineup including organizational and investment management staff changes and provide a written report containing observations and recommendations for the Pools, where appropriate;
8. Provide investment manager recommendations, based upon the Pools' returns and the Respondent's independent analysis. Such recommendations may be documented either in the quarterly reports detailing the Pools' investment returns or separately. The recommendations shall analyze the Pools' performance as compared to the market as a whole, and in conjunction with the investment goals for the Pools;
9. Provide continuous oversight on the Pools, conducting periodic analysis of the Pool's investment performance, to be recorded in reports detailing the Pools' investment returns, asset allocation, historical performance, performance attribution, fee analysis, underlying funds, and their holdings. Such reports will be provided to the Treasurer's Office on at least a quarterly basis;
10. Provide detailed benchmarking analysis on Pools' performance attribution and individual fund performance attribution including comparisons with industry benchmarks and third-party rating organizations;
11. Develop, maintain and execute a process to identify and manage investments that are underperforming relative to benchmarks or are not in compliance with their stated investment objectives and style or the Treasurer's Office Investment Policy Statement. The process should address criteria used to identify investments held on a "watch list" and timing and trigger points for actions to be taken (e.g., returns over specified time periods, meetings with portfolio managers, analysis of fund holdings, termination from the Pools).
12. Provide a cost analysis and industry comparison for College Savings and ABLE plan administration and investment management fees;
13. Provide constant monitoring and timely review and analysis of key events that could potentially affect the Pools and/or individual funds, including significant market events, mergers and acquisitions, public offerings, changes in fund senior management, and new and proposed federal and state legislation and regulation;
14. Meet with representatives from the Treasurer's Office to answer questions regarding the reports submitted and the analysis conducted on an as needed basis, but no less than four (4) times per year;

15. Be available to discuss any investment issues with Treasurer's staff and/or with portfolio managers on an as needed basis;
16. Serve as a general resource to the Treasurer's staff for information, advice and training regarding, but not limited to: industry trends, market conditions, investment policy, portfolio design, risk management, pool reporting, fund management, asset allocation and investment strategies;
17. Attend meetings at the discretion of the Treasurer's Office, as needed, to present research, reports and analyses and to respond to questions;
18. Attend quarterly, semi or annual due diligence and review meetings for investment funds and prepare a written summary of these meetings to the Treasurer's staff;
19. Provide or recommend education sessions for Treasurer's staff as requested, as requested; and
20. Prepare presentations to Treasurer's staff on various general informational topics, as needed.

#### **IV. RFP PROCESS AND SCHEDULE**

This Section outlines the process and schedule associated with this RFP.

##### **Schedule**

The following is the schedule for this RFP:

<b>Date</b>	<b>Event</b>
November 12, 2015	RFP published on the Treasurer's website.
November 20, 2015	Notice of intent to participate in the Bidder's Conference due by 12:00 pm CT.
November 23, 2015	Mandatory Bidder's Conference at 11:00 a.m. CT.
November 30, 2015	All Respondent questions due by 12:00 p.m. CT.
December 7, 2015	Responses to all questions posted on the Treasurer's website by 4:00 p.m. CT.
December 15, 2015	Responses to RFP due at 12:00 p.m. CT.
Week of January 4, 2016	Selection of potentially acceptable candidates.
January 13, 2016	If applicable, best and final offer due by 12:00 p.m. CT.

Date	Event
Week of January 18, 2016	Notification of award and begin negotiation of Agreement.

These dates are subject to change at the Treasurer’s discretion.

**B. Contact information**

The Treasurer’s Chief Procurement Officer (“CPO”) is the sole point of contact concerning this RFP.

Respondents should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission of a Proposal. Respondents must submit their questions in writing by e-mail to the CPO by 12:00 p.m. CT on November 30, 2015.

Jim Underwood  
 Chief Procurement Officer  
 Office of the Illinois State Treasurer  
 400 W. Monroe St., Suite 401  
 Springfield, IL 62704  
 Phone: 217.782.1708  
 Fax: 217.524.3822  
[junderwood@illinoistreasurer.gov](mailto:junderwood@illinoistreasurer.gov)

**C. Mandatory Bidder’s Conference**

Each Respondent must e-mail notice of intent to attend the Bidder’s Conference to Jim Underwood at [junderwood@illinoistreasurer.gov](mailto:junderwood@illinoistreasurer.gov) prior to 12:00 p.m. CT on November 20, 2015. Attendance at the Bidder’s Conference is mandatory, but it may be attended via teleconference. The Bidder’s Conference shall be on November 23, 2015 at 11:00 a.m. CT at the following address:

James R. Thompson Center  
 100 West Randolph Street, 15-600  
 Treasurer’s Conference Room  
 Chicago, IL 60601

**D. Proposal Submittal**

All Proposals must be submitted by mail or messenger to the following address, no later than 12:00 p.m. CT on December 15, 2015:

Mr. Jim Underwood  
 Chief Procurement Officer

400 West Monroe Street, Suite 401  
Springfield, IL 62704

**E. RFP Process**

1. Questions about this RFP

Respondents should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission of a response. Respondents must prepare their questions in writing and send them by e-mail to the above contact person.

2. Internet/E-mail Communications

The Treasurer may also communicate with Respondents via e-mail. Each Respondent should provide an e-mail address with its response for ease of communication throughout this RFP process.

3. Verbal Communications

Any verbal communication from the Treasurer's employees or its contractors concerning this RFP is not binding on the Treasurer, and shall in no way alter a specification, term or condition of this RFP.

4. Amendment

If it is necessary to amend this RFP, the Treasurer will post amendments on the Treasurer's website.

5. Respondent's Costs

The cost of developing a response to this RFP is each Respondent's responsibility and may not be charged to the Treasurer.

6. Withdrawal of Proposal

Respondent may withdraw its Proposal at any time prior to the deadline for receipt of Proposals. The Respondent must submit a written withdrawal request, addressed to the CPO and signed by the Respondent's duly authorized representative.

7. Modification of Proposal

A Respondent may submit an amended Proposal before the deadline for receipt of Proposal. Such amended Proposal must be a complete replacement for the previously submitted Proposal and must be clearly identified as such in the transmittal letter to the CPO.

8. Proposal is an Offer

A Proposal submitted response to this RFP is a binding offer valid for 180 days after the due date for Proposals or the due date for the receipt of a best and final offer, whichever falls later.

9. Response to RFP is State Property

On the response due date all responses and related material submitted in response to this RFP become the property of the State of Illinois.

10. CPO May Cancel the RFP

If the CPO determines it is in the Treasurer's best interest, he reserves the right to do any of the following:

- a. Cancel this RFP;
- b. Modify this RFP in writing as needed; or
- c. Reject any or all responses received for this RFP.

**V. PROPOSAL**

This Section provides the required elements for Respondent's Proposal.

**A. Proposal Format**

All Proposals must be submitted within the prescribed format to facilitate objective review. Any Proposal that materially deviates from this format will be rejected without further consideration of its content. Proposals that contain false or misleading statements or that provide references that do not support an attribute or condition claimed by the Respondent may also be rejected.

Narratives should provide a concise description of capabilities to satisfy the requirements of this RFP. Emphasis should be on clarity, brevity and completeness of response.

1. Cover Letter - The Proposal must be accompanied by a transmittal letter that designates the name, physical address, e-mail address, and the telephone number of the person or persons available for contact concerning the response and who is authorized to make representations on behalf of the Respondent's organization.
2. Table of Contents - Include a listing of the main chapters and paragraph headings contained in the response, including page numbers.

3. Introduction - Include any introductory remarks, not to exceed three (3) pages, deemed appropriate. Briefly discuss such topics as the Respondent's background, management, facilities, staffing, related experience and financial stability.
4. Scope of Work – Provide a narrative, not to exceed five (5) pages, describing the general conceptual approach to the delivery of specific services and any other information Respondent believes is relevant.
5. Answers to Questions - Respondent must respond to all of the questions. Respondent's answers must include the headings (e.g. "Background and Experience") and be numbered in the order provided in Section V.B of this Proposal.
6. Service Team - Provide an organization chart and resumes for the proposed service team, including analytical investment and research staff and support staff. Please identify the primary contact person and describe the role of each key person.
7. Unique Capabilities - Provide a summary not to exceed five (5) pages of any unique expertise, products or services that distinguish your institution.
8. State Certifications and Disclosures - Respondent and any subcontractor(s) must submit the following three (3) fully executed documents: Illinois State Treasurer Certifications, Disclosures Financial Interest and Potential Conflicts of Interest (Disclosure Form A), and the Disclosures Other Contract and Procurement Related Information (Disclosure Form B).
9. Proposal - Proposals must be submitted in a sealed envelope or package bearing the title "Office of the Illinois State Treasurer Request for Proposals General Investment Consultant" and the Respondent's name and address. The package must include one (1) original and four (4) copies of the Proposal. A separate envelope must contain one (1) original and four (4) copies of the Cost Proposal. In addition, please provide three (3) electronic copies of the Proposal and three (3) separate electronic copies of the Cost Proposal. Each electronic Proposal copy and each electronic Cost Proposal copy shall be on a separate electronic storage device, such as a CD or thumb drive.

**A. Questions to be Addressed in the Proposal**

Background and Experience

1. Please provide the year your firm was established and give a brief history of your firm.
2. Please provide the organization's name, and the name, title, address, phone number, fax number, and email address of the individual who will be our primary contact.

3. Please provide the address and website of the firm's headquarters and all branch offices.
4. Please identify all of your firm's lines of business, products, and services.
5. Please provide a brief description of your firm's plans for growth, such as asset growth, personnel growth, succession planning, over the next three-five (3-5) years.
6. Please comment on the financial solvency of your firm. Do you have any firm debt? What is the minimum asset level required for your firm to remain profitable?
7. Please give succession plans for key employees if retirements are planned within five (5) years.
8. What is the current ownership structure of the firm? Please include employees at all levels.
9. Who are the principals and/or managing partners? How long has each been at the firm?
10. What provisions are in place to promote the retention of principals and/or managing partners?
11. What, if any, are the carried interests and ownership interests in the firm held by individuals or business entities not employed by the firm?
12. What is the firm's compensation structure? What are the vesting provisions? Are there vesting provisions for future principals and/or managing partner additions?
13. Please describe the firm's professional turnover for the last five years, citing reasons for each departure and contacts for departed principals or partners.
14. Are any new hires expected in the near term? Please explain at what level these new hires are expected, and their anticipated compensation.
15. What is the decision-making process internally among the principals for (i) internal matters, (ii) new partners, and (iii) partnership operations and management decisions?
16. Does the firm have a succession plan in place? If so, please describe.
17. Please describe any significant changes in the organizational structure, ownership or management of your firm over the past three (3) years.
18. Please provide a summary organizational chart showing your proposed team, including analytical investment and research staff and support staff. Describe the role of each key person.

19. Please provide brief biographies and educational background of the investment professionals in the firm. List percent of ownership by the investment professional, and which products they worked on.
20. Please provide three (3) client references, current or past, and state the organization's name, their website (if any), a point of contact, physical address, telephone number, e-mail address, and the scope of work you provided.

#### Advisory and Administration Services

21. Please summarize the assets under your firm's advisement, as well as those for governmental entities, over the past five (5) years. Please include detailed information on each account managed, its purpose, projected and actual returns and any economic development statistics available.
22. Please identify the types of advisory accounts primarily managed by your firm.
23. Please describe the experience your firm has consulting on college savings plans or plans similar to Bright Start and Bright Directions.
24. Please describe the experience your firm has in the selecting, tracking and overseeing college saving investment strategies.
25. What is your experience and expertise in creating a college saving plan's investment policy statement, creating investment processes, and incorporating best practices?
26. Please describe your experiences in coordinating with clients and their investment staff to gain insight and knowledge regarding their investment plans, statutory authority, and related portfolios.
27. What existing or potential relationships could impact your firm's ability to provide the services outlined in this RFP? What such relationships could create ethics violation or conflict of interest situations?
28. Please provide a written sample of an investment advisory work product.

#### Reporting Requirements

29. Please detail your proposed reporting process on College Saving's pooled performance and individual fund performance including the tracking, analysis and reporting of investment Pools and individual funds.
30. Please provide your process to provide detailed benchmarking analysis on Pool performance attribution and individual fund performance attribution including comparisons with industry benchmarks and third-party rating organizations.

31. Please describe your process in defining risk/reward characteristics of any recommended investment guidelines with investment policy committees and subcommittees.
32. Please describe how your firm will provide timely consolidated reports quarterly and annually, reflecting all the information recorded by and required of the Pools and individual funds.
33. Please describe how your firm will ensure standardization of such reporting across the Pools and individual funds.
34. Please describe your process to provide cost analysis of the plan's administration and investment management fees and their comparison to industry benchmarks.
35. Please describe your ability to offer guidance regarding financial reporting in accordance with GAAP and GASB reporting requirements as they relate to investments in College Savings and ABLE.

#### Investment Duties

36. Please describe the methodologies, measures, data sources, and software your firm will utilize to calculate, analyze and evaluate the Pools' performance.
37. Please describe your process that would provide oversight on the Pools, conducting periodic analysis of the Pools' investment performance, to be recorded in reports detailing the Pools' investment returns, asset allocation, historical performance, performance attribution, fee analysis, underlying funds, and their holdings.
38. Please describe the process used to evaluate underlying funds and investment manager lineup.
39. Please describe your process to select and provide underlying funds and investment manager recommendations.
40. Please describe your firm's ability to conduct an asset allocation study that includes a quantitative asset allocation analysis.
41. Please describe your review process to make recommendations on an investment pool's current design, portfolio structure, optimization techniques, and asset allocation strategies, including asset classes, completion strategies, and the composition of age-based and target risk profile glide paths.
42. Please describe your process to provide constant monitoring and timely review and analysis of key events that could potentially affect the Pools and/or individual funds, including significant market events, mergers and acquisitions, public offerings, changes in fund senior management, and new and proposed federal and state legislation and regulation.

43. Please describe your experience in providing knowledge, advice and training regarding portfolio allocations, reporting, fund management, and investment strategies.
44. Please identify your comfort level in providing presentations on investment topics relevant to College Savings and ABLE.

### Diversity

45. Please describe the Respondent's prior experience and future capability to engage and evaluate investment funds, who are female, minority, persons with disabilities, or veteran owned or managed. For purposes of this RFP, "female, minority, persons with disabilities, or veteran owned or managed" shall mean being owned or managed by 51% or more of a combination of female, minority, persons with disabilities, or military veteran.
46. Please provide the number and percentage of Respondent's senior leaders (e.g. partner, president, COO, or managing director) who are female, minority, persons with disabilities, or military veterans. Please cite with supporting data.
47. Please provide the number and percentage of Respondent's professional investment staff who are female, minority, persons with disabilities, or military veterans. Please cite with supporting data.
48. Is the Respondent or its affiliates female, minority, persons with disabilities, or veteran owned or managed? Please cite with supporting data.
49. Using the definition provided above, what is the percentage of Respondent's intended use of subcontractors for this project, if any, that are female, minority, persons with disabilities, or veteran owned or managed? Please cite with supporting data.

### Illinois Presence

50. Please describe what presence the Respondent has in the State of Illinois. Such "presence" can be demonstrated by the percentage of Respondent's full-time employees or employees who spend more than half their time in Illinois and having physical offices or a principal place of business located in Illinois.
51. Using the definition provided above, what is the percentage of Respondent's subcontractors for this project, if any, that have an Illinois presence?

### **B. Cost Proposal**

Responses must include information regarding the proposed amount of compensation for services, either as a lump sum, by hourly rate or by other

criteria. In setting forth such information, separate the current fiscal year fee from the fee for the next two (2) fiscal years. The figures provided should include all fees/costs.

Pricing schedules are to cover a four (4)-year period. It is anticipated all of the Respondent's costs to the Treasurer will be included in the pricing as outlined above, and consistent with the requirements outlined throughout this RFP.

## **VI. EVALUATION PROCESS & CRITERIA**

### **A. Mandatory Requirements**

1. The Respondents must answer all the questions in this RFP.
2. Responses to this RFP should set forth the specific manner in which the Respondent will satisfy each requirement.
3. The Respondent must submit the name, physical address, e-mail address, and telephone number of an individual with authority to answer questions or clarify their responses.
4. The Respondent must have substantial experience advising, or assisting in the advisement of, assets, funds, and funds of funds. The following criteria are required and exceptions will not be granted:
  - a. The Respondent must have assets under advisement of at least \$1 billion.
  - b. The Respondent must have at least three (3) years' experience advising assets for government entities.
  - c. The senior professionals in charge of providing the services under the proposed agreement must have at least five (5) years relevant experience in investment advisement.
  - d. The Respondent must agree to submit reports and other supporting materials as requested, in a timely manner.
5. The Respondent and any sub-contractor(s) must submit a fully executed State Certifications Form, Appendix A.
6. The Respondent and any sub-contractor(s) must submit a fully executed Financial Interest and Potential Conflicts of Interest Disclosure Form, Appendix B.
7. The Respondent and any sub-contractor(s) must submit a fully executed Other Contract and Procurement Related Information Disclosure Form, Appendix C.

## B. Evaluation Factor Weighting Table

This following table shows the weighted evaluation factors to be used in reviewing the Respondent Proposals.

<b>Evaluation Factor</b>	<b>Weight</b>
Background & Experience	15
Advisory & Administrative Services	25
Reporting Abilities	10
Investment Duties	20
Cost Proposal	20
Diversity	5
Illinois Presence	5
<b>TOTAL</b>	100

## C. Evaluation Factors

### 1. Background and Experience

Scoring will be based on the thoroughness and clarity of the response, the breadth and depth of the similar engagements, the talent and experience of assigned personnel, and the perceived validity of the response. The evaluation also will include reference checks regarding the Respondent's work for previous clients receiving similar services to those proposed for College Savings and ABLE.

### 2. Advisory and Administrative Services

Scoring will be based on Respondent's experience with and demonstrated ability to provide quality advice and recommendations to the Treasurer.

### 3. Reporting Abilities

The evaluation will assess the Respondent's ability to provide timely and accurate reports as required under the Act and detailed in the RFP as well as the quality of these reports.

### 4. Investment Duties

Respondent's investment strategy and experience will be evaluated and scored, as well as its abilities to manage investment strategies and asset allocation.

5. Cost Proposal

Respondent's Cost Proposal score will be scored based on an evaluation of its cost-effectiveness.

6. Diversity Score

Respondent's diversity score will be scored based on the answers Respondent provides to the diversity questions in Section V.A of this RFP. The Evaluation Team shall award a higher diversity score to Respondents that are female, minority, person with disabilities, or veteran owned or managed. Having a higher percentage of subcontractors that are female, minority, person with disabilities, or veteran owned or managed shall also result in higher scores.

7. Illinois Presence Score

Respondent's Illinois presence shall be scored based on the answers Respondent provides to the Illinois presence questions in Section V.A of this RFP. Respondents with a principal place in Illinois and a higher percentage of employees in Illinois shall receive higher scores.

**D. Evaluation Process**

All Responses will be reviewed for compliance with the RFP requirements and specifications. Responses deemed non-responsive will be eliminated from further consideration. The CPO may contact the Respondent for clarification of the Response, and the Evaluation Committee may use other sources of publically available information to perform its evaluation. Finally, the Evaluation Committee will make a recommendation regarding the final Respondent.

**VII. CONTRACTUAL TERMS**

The Contractor must specifically agree to each contractual provision set forth below.

**A. Contractual Responsibility**

If chosen to provide the services under this RFP, Contractor will be contractually responsible for all services provided.

1. Governing Law; Venue.

The Agreement shall be governed in all respects by the laws of the State of Illinois. Venue shall be proper only in the Illinois Court of Claims in accordance with the Illinois Court of Claims Act (705 ILCS 505/1 *et seq.*). By execution of the Agreement, Contractor acknowledges and agrees to the exclusive jurisdiction of the Illinois Court of Claims over any and all lawsuits arising under or out of any term of the Agreement.

## 2. Internal Controls

The selected Contractor shall annually provide the Treasurer with a copy of the Annual Report or Form 10-K of its parent holding company and its most recent SSAE 16 report which will include the attestation of the company's independent registered accounting firm regarding the company's internal control over financial reporting.

## 3. Disaster Recovery and Backup Facilities

Contractor shall prepare and test a plan for recovery of financial transactions and related information in the event of a disaster or system failure. Contractor shall furnish a copy of the plan, test results, and the results of the annual audit of the disaster recovery plan to the Treasurer.

## 4. Term of Agreement

- a. *Initial Term.* The term of the Agreement shall commence on February 11, 2016 and shall expire on February 10, 2020, ("Initial Term"), unless terminated prior to such date in accordance with the terms of the Agreement.
- b. *Term Extension.* The Treasurer reserves the right to extend the Agreement for an additional terms ("Extension Term"), provided that the Treasurer notifies the Contractor in writing of its intention to do so at least ninety (90) days prior to the expiration date of the Initial Term. An Extension Term of this Agreement, and any amendments to this Agreement in connection with such Extension Term, shall be effected through a written instrument executed by the Contractor and the Treasurer and in accordance with applicable law.

## 5. Termination

### a. *Termination Without Cause:*

The Treasurer may elect to terminate the agreement at any time upon thirty (30) calendar days' notice. Upon termination, the Treasurer will pay for work satisfactorily completed prior to the date of termination as determined in a reasonable manner.

### b. *Termination for Cause/Reduction of Fee*

Notwithstanding any foregoing language to the contrary, the Agreement may be terminated by the Treasurer under any of the following circumstances:

- a. Contractor fails to furnish a satisfactory performance within the time specified.
- b. Contractor fails to perform any of the provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms.

- c. Any services provided under the Agreement are rejected and are not promptly corrected by Contractor, or repeatedly rejected even though Contractor offers to correct services promptly.
- d. There is sufficient evidence to show that fraud, collusion, conspiracy, or other unlawful means obtained the Agreement.
- e. Contractor is guilty of misrepresentation in connection with another contract for services to the State.
- f. Contractor is adjudged bankrupt or enters into a general assignment for the benefit of their creditors or receivership due to insolvency.
- g. Contractor disregards laws and ordinances, rules, or instructions of a contracting officer or acts in violation of any provision of the Agreement or this part, or the Agreement conflicts with any statutory or constitutional provision of the State of Illinois or of the United States.
- h. Any other breach of contract or other unlawful act by Contractor occurs.

Prior to terminating the Agreement for cause, the Treasurer shall issue a written warning that outlines the remedial action necessary to bring the Contractor into conformance with the Agreement. If such remedial action is not completed to the satisfaction of the Treasurer within thirty (30) business days, a second written warning may be issued. If satisfactory action is not taken by Contractor within five (5) business days of the date of the second written warning, the Agreement may be cancelled and the Treasurer may recover any and all damages involved with the transition to a new vendor including incidental and consequential damages. Failure by the Treasurer to issue a warning or cancel this Agreement does not waive any of the Treasurer's rights to issue subsequent warnings.

In addition, the Treasurer reserves the right to reduce the fee paid to Contractor as compensation for services under the Agreement during any period Contractor fails to perform with reasonable care any of its obligations under the Agreement.

## 6. Review

Treasurer's staff may conduct periodic performance reviews of the successful Contractor, during which its compliance with all aspects of the Agreement with Treasurer will be reviewed and assessed.

## 7. Liability and Indemnification

Contractor shall indemnify and hold the Treasurer harmless from and against any and all losses, including but not limited to, losses due to the negligent acts or omissions or willful misconduct of Contractor, its employees, or agents. Contractor has a duty to select, with due diligence, all other entities that shall be necessary to implement the Agreement. Contractor shall establish and enforce

reasonable procedures to assure the Treasurer of the performance by all other entities of the services necessary to implement this Agreement.

8. Confidentiality

a. Contractor shall be prohibited from using or disclosing confidential information received in the course of fulfilling its obligations pursuant to the Agreement, except in the performance of its internal responsibilities and normal functions. Confidential information includes all information but the following:

- i. Information already known or independently developed by the recipient;
- ii. Information required to be released by law;
- iii. Information in the public domain through no wrongful act of the recipient;  
and
- iv. Information received from a third party who was free to disclose it.

This Section shall survive the termination of the Agreement.

b. Use of Confidential Information by Employees and Agents of Contractor

The requirement of confidentiality under this Agreement also applies to the employees and agents of the Contractor. The Contractor shall use its best efforts to ensure that its employees and agents adhere to the confidentiality requirements set forth herein. Use by and disclosure to employees and agents of Confidential Information to the extent necessary to carry out the terms and purposes of this Agreement is acceptable.

c. Protection of Confidential Information

The Contractor represents, warrants, and covenants that it has implemented and will maintain an information security program reasonably designed to protect Confidential Information, including customer information, which program includes administrative, technical, and physical safeguards to ensure the security and confidentiality of all customer information, to protect against anticipated threats or hazards to the security or integrity of such customer information, and to protect against unauthorized access to or use of such customer information.

d. Privacy Policy

Contractor will comply with any applicable federal or state laws or regulations, as well as any privacy policy developed by the Treasurer. Contractor further agrees to establish, maintain, and comply with a privacy policy with respect to the program that meets the requirements of applicable law.

e. Subcontracting

The Respondent may not use subcontractors to perform the duties as outlined in the RFP unless the subcontractor is approved in advance by the Treasurer. If your response requires a subcontractor, the Respondent must disclose the duties performed by the subcontractor. Subcontractors will be required to submit separate State Certifications and Disclosure Forms, a copy of which is found in Appendixes A, B, and C.

9. Assignment

Each term and provision of the Agreement is binding and enforceable against and inures to the benefit of any successors of the Treasurer and any successors of Contractor, but neither this Agreement nor any of the rights, interests, or obligations is assignable without the prior written consent of the other party. Any attempt by Contractor to transfer or assign any rights or obligations related to the provision of services under this Agreement, without the prior written consent of the Treasurer, shall render this Agreement voidable by the Treasurer. The Treasurer may unilaterally bind any successor of the provider to the terms and conditions of any Agreement between the parties.

10. Services

Contractor shall not modify any service or the manner of providing such service under this Agreement without the prior written authorization of the Treasurer. Modification means any change to an existing service or the addition of a new service.

11. Access to Information

Upon request, the selected Contractor shall provide the Treasurer access to all files, records, participant email addresses, documents, and data pertaining to College Savings and ABLE that are in its possession and control regardless of how that information is stored. The information shall be provided in a form acceptable to the Treasurer.

12. State Certifications/Disclosures

The Agreement will incorporate Contractor's fully executed State Certifications and Disclosure Forms, a copy of which is attached hereto as Appendixes A, B, and C.

13. Right to Audit Books and Records

The Contractor and any service provider shall maintain, for a minimum of five (5) years after the termination of the Agreement, adequate books, records, and supporting documents related to the Agreement. These documents shall be

available for review and audit by the Treasurer and the Illinois State Auditor General. The selected Contractor agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this section shall establish a presumption in favor of the Treasurer for the recovery of any funds paid by the Treasurer under the underlying agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

#### 14. Work Product

##### a. Ownership of work product.

Except as otherwise agreed to in writing, all work product including, but not limited to, documents, reports, data, information, and ideas specially produced, developed or designed by you under any agreement for the Treasurer, whether preliminary or final, will become and remain the property of the Treasurer, including any copyright or service marks you developed on behalf of the Treasurer. The Treasurer shall have the right to use all such work product without restriction or limitation and without further compensation to you.

##### b. Return of Work Product

Within thirty (30) days after expiration or termination of the Agreement, the Contractor shall deliver to Treasurer, or to a third party, if so instructed by the Treasurer, all Work Product in Contractor's possession in the performance of the Agreement. If requested by the Treasurer, the Contractor shall certify in writing that all such Work Product has been delivered to the Treasurer.

**VIII. APPENDICES**

- A. State Certifications Forms
- B. Financial Interest and Potential Conflicts of Interest Disclosure Form
- C. Other Contract and Procurement Related Information Disclosure Form

## ILLINOIS STATE TREASURER CERTIFICATIONS

\_\_\_\_\_ (“CONTRACTOR”) makes the following certifications:

### **1.0 ANTI-BRIBERY.**

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under Section 50-5 of the Illinois Procurement Code (30 ILCS 500/50-5). Section 50-5 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the contractor has made an admission of guilt of such conduct with is a matter of record. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

### **2.0 BID-RIGGING/BID-ROTATING.**

CONTRACTOR certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33E-3, 33E-4).

### **3.0 DRUG FREE WORKPLACE.**

This certification is required by Section 3 of the Drug Free Workplace Act (30 ILCS 580/3). The Drug Free Workplace Act, effective January 1, 1992, requires that CONTRACTOR shall not be considered for the purposes of being awarded a contract for the procurement of any services from the State unless CONTRACTOR has certified to the State that CONTRACTOR will provide a drug free workplace. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of the contract and debarment of contracting opportunities with the State for at least one (1) year but not more than five (5) years.

CONTRACTOR certifies and agrees that it will provide a drug free workplace by:

- a. Publishing a statement:
  - i. Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the grantee’s or contractor’s workplace.
  - ii. Specifying the actions that will be taken against employees for violation of such prohibition.
  - iii. Notifying the employee that, as a condition of employment on such contract or grant, the employee will:
    - a. abide by the terms of the statement; and
    - b. notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- b. Establishing a drug free awareness program to inform employees about:
  - i. the dangers of drug abuse in the workplace;
  - ii. CONTRACTOR’s policy of maintaining a drug free workplace;

- iii. any available drug counseling, rehabilitation, and employee assistance programs; and
- iv. the penalties that may be imposed upon an employee for drug violations.
- c. Providing a copy of the statement required by Section (a) to each employee engaging in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- d. Notifying the Treasurer's Office within ten (10) days after receiving notice under part (b) of paragraph (iii) of Section (a) above from an employee or otherwise receiving actual notice of such conviction.
- e. Imposing a sanction on, or requiring the satisfactory participation in drug abuse assistance or rehabilitation program by, an employee who is so convicted, as required by Section 5 of the Drug Free Workplace Act.
- f. Assisting employees in selecting a course of action in the event of drug counseling, treatment, and rehabilitation is required and indicating that a trained referral team is in place.
- g. Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

#### **4.0 U.S. EXPORT ACT.**

CONTRACTOR certifies that neither CONTRACTOR nor any substantial-owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 (50 U.S.C.A. App. § 2401 et seq.) or the regulations of the U.S. Department of Commerce promulgated under that Act.

#### **5.0 NON-DISCRIMINATION.**

CONTRACTOR certifies that it is in compliance with the State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable rules that prohibit unlawful discrimination in performance of this Agreement and all other activities, including employment and other contracts. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable laws that prohibit unlawful discrimination.

#### **6.0 AMERICANS WITH DISABILITIES ACT.**

CONTRACTOR certifies that it is in compliance with the Americans with Disabilities Act ("ADA") (42 U.S.C. 12101 et seq.) and the regulations thereunder (28 CFR 35.130) prohibit discrimination against persons with disabilities by the Treasurer, whether directly or through contractual arrangements, in the provision of any aid, benefit or service. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with the ADA.

#### **7.0 ILLINOIS HUMAN RIGHTS ACT.**

CONTRACTOR certifies that it is presently in compliance with all of the terms, conditions and provisions of Section 5/2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105), together with all rules and regulations promulgated and adopted pursuant thereto.

## **8.0 FELONY.**

CONTRACTOR certifies that it has not been barred from being awarded a contract under Section 50-10 of the Illinois Procurement Code (30 ILCS 500/50-10). Section 50-10 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of a felony and 5 years have not passed from the completion of the sentence for that felony. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

## **9.0 FORMER EMPLOYMENT.**

CONTRACTOR has informed the Treasurer's Office in writing if CONTRACTOR was formerly employed by the Treasurer's Office and has received an early retirement incentive under Section 14-108.3 or 16-133.3 of the Illinois Pension Code (30 ILCS 105/15a).

## **10.0 INDUCEMENT.**

CONTRACTOR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has CONTRACTOR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

## **11.0 REVOLVING DOOR PROHIBITION.**

CONTRACTOR certifies that neither it nor its employees and agents are in violation of section 50-30 of the Illinois Procurement Code (30 ILCS 500/50-30). Section 50-30 prohibits for a period of (2) years after terminating an affected position certain State employees and their designees from engaging in any procurement activity relating to the State agency most recently employing them for a specified period of time.

## **12.0 REPORTING ANTICOMPETITIVE PRACTICES.**

CONTRACTOR shall report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, /50-45, /50-50).

## **13.0 DISCRIMINATORY CLUB.**

CONTRACTOR agrees not to pay any dues or fees on behalf of its employees or agents or subsidize or otherwise reimburse them for payments of any dues or fees to a discriminating club as prohibited by Section 2 of the Discriminatory Club Act (775 ILCS 25/2).

## **14.0 TAXPAYER IDENTIFICATION NUMBER AND LEGAL STATUS OF CONTRACTOR.**

CONTRACTOR shall be in compliance with applicable tax requirements and shall be current payment of such taxes. Under penalty of perjury, CONTRACTOR certifies that # \_\_\_\_\_ is its correct Taxpayer Identification Number and that it is doing business as a (please check one):

Individual  
 Sole Proprietor  
 Partnership/Legal Corporation  
 Tax Exempt  
 Corporation providing or billing  
     medical and/or health care services  
 Corporation NOT providing or billing  
     medical and/or health care services  
 Other: \_\_\_\_\_

Government Entity  
 Nonresident alien  
 Estate or trust  
 Pharmacy (Non-Corp.)  
 Pharmacy/Funeral Home/Cemetery  
     (Corp.)  
 Limited Liability Company (select  
     applicable tax classification.)  
 C = corporation  
 P = partnership

**15.0 LICENSE; AUTHORIZED BIDDER OR OFFEROR**

CONTRACTOR, directly or through its employees, shall have and maintain any license required by this Agreement. CONTRACTOR further certifies that it is a legal entity authorized to do business in Illinois prior to the submission of the bid, offer, or proposal pursuant to section 20-43 of the Illinois Procurement Code (30 ILCS 500/20-43).

**16.0 APPROPRIATION.**

This Agreement is subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation for payments under the terms of the contract.

**17.0 RECORDS RETENTION; RIGHT TO AUDIT.**

CONTRACTOR agrees to maintain books and records related to the performance of the contract and necessary to support amounts charged to the State under the contract for a minimum of three years from the last action on the contract or after termination of the Agreement, whichever is longer. Contractor further agrees to cooperate fully with any audit and to make the books and records available for review and audit by the Auditor General, chief procurement officers, internal auditor and the Treasurer; CONTRACTOR agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. The three-(3)-year period shall be extended for the duration of any audit in progress during the term. Failure to maintain the books, records and supporting documents required by this Section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

**18.0 CONFLICTS OF INTEREST.**

CONTRACTOR has disclosed, and agrees that it is under a continuing obligation to disclose, to the Treasurer financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest that would prohibit CONTRACTOR from entering into or performing the Agreement. Conflicts of interest include, but are not limited to, conflicts under Section 1400.5020 of the Treasurer’s Procurement Rules (44 Ill. Adm. Code 1400.5020) and Sections 50-13, 50-20, and 50-35 of the Illinois Procurement Code (30 ILCS 500/50).

## **19.0 LATE PAYMENTS.**

Late payment charges, if any, shall not exceed the formula established in the Illinois Prompt Payment Act (30 ILCS 540/1) and the Illinois Administrative Code (74 Ill. Adm. Code 900).

## **20.0 LIABILITY.**

The State's liability for damages is expressly limited by and subject to the provisions of the Illinois Court of Claims Act (705 ILCS 505/1) and to the availability of suitable appropriations.

## **21.0 DEBT DELINQUENCY.**

CONTRACTOR certifies that it, or any affiliate, is not barred from being awarded a contract or subcontract under section 50-11 of the Illinois Procurement Code (30 ILCS 500/50-11). Section 50-11 prohibits a contractor from entering into a contract with the Treasurer's Office if it knows or should know that it, or any affiliate, is delinquent in the payment of any debt to the State as defined by the Debt Collection Board. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR or any affiliate is determined to be delinquent in payment of any debt during the term of the Agreement.

## **22.0 EDUCATIONAL LOAN DEFAULT.**

CONTRACTOR certifies that it is not barred from being awarded a contract under the Educational Loan Default Act (5 ILCS 385). Section 3 of the Educational Loan Default Act prohibits an individual from entering into a contract with the Treasurer's Office if that individual is in default of an educational loan. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to be in default of an educational loan during the term of the Agreement.

## **23.0 FORCE MAJEURE.**

Failure by either party to perform its duties and obligations shall be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, labor or material shortages, labor disputes, fire, flood, explosion, legislation, and governmental regulation.

## **24.0 ANTITRUST ASSIGNMENT.**

CONTRACTOR hereby assigns, sells and transfers to the State of Illinois all right, title and interest in and to any claims and causes of action arising under antitrust laws of Illinois or the United States relating to the subject matter of the Agreement.

## **25.0 PROHIBITION OF GOODS FROM FORCED LABOR.**

CONTRACTOR certifies that it is not barred from being awarded a contract under the State Prohibition of Goods from Forced Labor Act (30 ILCS 583). Section 10 of the State Prohibition of Goods from Forced Labor Act prohibits a contractor from entering into a contract with the Treasurer's

Office if that contractor knew that the foreign-made equipment, materials, or supplies furnished to the State were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to have known that the foreign-made equipment, materials, or supplies furnished to the State during the term of the Agreement were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction.

#### **26.0 PROHIBITION OF GOODS FROM CHILD LABOR.**

CONTRACTOR certifies in accordance with Public Act 94-0264 that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12.

#### **27.0 SARBANES-OXLEY ACT AND ILLINOIS SECURITIES LAW**

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-10.5 of the Illinois Procurement Code (30 ILCS 500). Section 50-10.5, amongst other things, prohibits a contractor from bidding or entering into a contract or subcontract with the Treasurer's Office if the contractor or any officer, director, partner, or other managerial agent of the contractor has been convicted in the last 5 years of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 or if the contractor is in violation of Subsection (e). CONTRACTOR further acknowledges that the Treasurer's Office may declare the agreement void if this certification is false or if CONTRACTOR is determined to have been convicted of a felony under the Illinois Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 during the term of the agreement.

#### **28.0 DISPUTES.**

Any claim against the State arising out of this Agreement must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any agreement dispute. The State of Illinois does not waive sovereign immunity by entering into this Agreement. Any provision containing a citation to an Illinois statute (cited "ILCS") may not contain the complete statutory language. The official text, which is incorporated by reference, may be found in the appropriate chapter and section of the Illinois Compiled Statutes. An unofficial version may be viewed at [www.ilga.gov](http://www.ilga.gov).

#### **29.0 THIRD-PARTY PAYMENTS.**

CONTRACTOR certifies that no fee was paid to a third-party in expectation of being awarded a contract by the Treasurer.

#### **30.0 MOST FAVORABLE TERMS.**

If more favorable terms are granted by the CONTRACTOR to any similar governmental agency in any state in a contemporaneous agreement let under the same or similar financial terms and

circumstances for comparable supplies or services, the more favorable terms will be applicable under the Agreement between the Treasurer's Office and the CONTRACTOR.

### **31.0 BOARD OF ELECTIONS REGISTRATION**

\_\_\_\_\_ The CONTRACTOR certifies that they are not required to register as a business entity with the State Board of Elections pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

*(or)*

\_\_\_\_\_ The CONTRACTOR certifies that they have registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

### **32.0 COLLECTION AND REMITTANCE OF ILLINOIS USE TAX**

The CONTRACTOR certifies that it is not barred from being awarded a contract under section 50-12 of the Illinois Procurement Code (30 ILCS 500/50-12). Section 50-12 prohibits a contractor from entering into a contract or subcontract with a State agency if the CONTRACTOR or affiliate has failed to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. The CONTRACTOR further acknowledges that the contract or subcontract may be voided if this certification is false.

### **33.0 ENVIRONMENTAL PROTECTION ACT VIOLATIONS**

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-14 of the Illinois Procurement Code (30 ILCS 500/50-14). Section 50-14 prohibits a CONTRACTOR from entering into a contract or subcontract with a State agency if the CONTRACTOR has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last (5) years. The CONTRACTOR further acknowledges that the contracting State agency may declare the related contract or subcontract void if this certification is false.

### **34.0 LEAD POISONING PREVENTION ACT VIOLATIONS**

The CONTRACTOR certifies that it is not barred from entering into a contract or subcontract under section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5). Section 50-14.5 prohibits a CONTRACTOR from entering into a contract or subcontract with the State of Illinois or a State agency if the CONTRACTOR, while the owner of a residential building, committed a willful or knowing violation of the Lead Poisoning Prevention Act. The CONTRACTOR further acknowledges that the Treasurer may declare the related contract or subcontract void if this certification is false.

### **35.0 BOND ISSUANCES**

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-21 of the Illinois Procurement Code (30 ILCS 500/50-21). Section 50-21 prohibits State agencies from entering into contracts or subcontracts with respect to the issuances of bonds or other securities by the State or a State agency with any entity that uses an “independent consultant” as defined in section 50-21.

### **36.0 POLITICAL CONTRIBUTIONS**

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-37 of the Illinois Procurement Code (30 ILCS 500/50-37). Section 50-37 prohibits business entities whose contracts with State agencies, in the aggregate, annually total more than \$50,000, or whose aggregate pending bids and proposals on State contracts total more than \$50,000, and any affiliated entities or affiliated persons of such business entity, from making any contributions to any political committee established to promote the candidacy of the office holder responsible for awarding the contract on which the business entity has submitted a bid or proposal during the period beginning on the date the invitation for bids or request for proposals are issued and ending on the day after the date the contract is awarded.

### **37.0 LOBBYING RESTRICTIONS**

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-38 of the Illinois Procurement Code (30 ILCS 500/50-38). Section 50-38 prohibits a CONTRACTOR from billing the State for any lobbying costs, fees, compensation, reimbursements, or other remuneration provided to any lobbyist who assisted the CONTRACTOR in obtaining the contract or subcontract.

### **38.0 DISCLOSURE OF BUSINESS OPERATIONS WITH IRAN (30 ILCS 500/50-36)**

Each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company’s revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company’s revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran’s ability to develop petroleum resources of Iran.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

\_\_\_ There are no business operations that must be disclosed to comply with the above cited law.

\_\_\_ The following business operations are disclosed to comply with the above cited law:

\_\_\_\_\_

CONTRACTOR

By:

\_\_\_\_\_

Signature

\_\_\_\_\_

Name

\_\_\_\_\_

Title

\_\_\_\_\_

Date

DISCLOSURES

FINANCIAL INTEREST AND POTENTIAL CONFLICTS OF INTEREST  
(Disclosure Form A)

The Treasurer’s Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offers desiring to enter into certain contracts with the State of Illinois must disclose the financial and potential conflicts of interest information as specified below.

Contractor/offers shall disclose the financial interest and potential conflicts of interest information identified in Sections 1 and 2 below as a condition of receiving an award or contract. Submit this information along with your bid, proposal or offer.

This requirement applies to contracts with an annual value exceeding \$10,000.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in both Sections 1 and 2 below.

Sec. 1. Disclosure of Financial Interest in the Contractor/Offers

- a. If any individuals have one of the following financial interests in the contractor/offers (or its parent), please check all that apply and show their name and address:

Ownership exceeding 5% ( )
Ownership value exceeding \$106,447.20 ( )
Distributive Income Share exceeding 5% ( )
Distributive Income Share exceeding \$106,447.20 ( )

Name: \_\_\_\_\_

Address: \_\_\_\_\_
\_\_\_\_\_

- b. For each individual named above, show the type of ownership/distributable income share: sole proprietorship \_\_\_\_\_ stock \_\_\_\_\_ partnership \_\_\_\_\_ other (explain)

\_\_\_\_\_.

- c. For each individual named above, show the dollar value or proportionate share of the ownership interest in the contractor/offers (or its parent) as follows:

If the proportionate share of the named individual(s) in the ownership of the contractor/offers (or its parent) is 5% or less, and if the value of the ownership interest of the named individual(s) is \$106,447.20 or less, check here ( )

If the proportionate share of ownership exceeds 5% or the value of the ownership interest exceeds \$106,447.20, show either.

The percent of ownership \_\_\_\_\_%

or

The value of the ownership interest \$ \_\_\_\_\_

Sec. 2. Disclosure of Potential Conflicts of Interest. For each of the individuals having the level of financial interest identified in Section 1 above, check “Yes” or “No” to indicate which, if any, of the following potential conflicts of interest relationships apply. If “Yes,” please describe (use space under applicable section to explain your answers – attach additional pages as necessary).

- |    |  |              |             |
|----|--|--------------|-------------|
| a. | State employment, currently or in the previous 3 years, including contractual employment of services   | Yes<br>_____ | No<br>_____ |
| b. | State employment for spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years.  | Yes<br>_____ | No<br>_____ |
| c. | Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois, or the statutes of the State of Illinois currently or in the previous 3 years.  | Yes<br>_____ | No<br>_____ |
| d. | Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter.   | Yes<br>_____ | No<br>_____ |
| e. | Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. | Yes<br>_____ | No<br>_____ |
| f. | Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter.   | Yes<br>_____ | No<br>_____ |
| g. | Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government.  | Yes<br>_____ | No<br>_____ |
| h. | Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter.  | Yes<br>_____ | No<br>_____ |
| i. | Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of   | Yes<br>_____ | No<br>_____ |

State or any county clerk in the State of Illinois, or any political action committee with either the Secretary of State or the Federal Board of Elections.

- |    |  |              |             |
|----|--|--------------|-------------|
| j. | Relationship to anyone; spouse, father, mother, son, or daughter, who is or was a compensated employee in the last 2 years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. | Yes<br>_____ | No<br>_____ |
|----|--|--------------|-------------|

This disclosure is submitted on behalf of

\_\_\_\_\_  
(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offeror:

Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

DISCLOSURES  
OTHER CONTRACT AND PROCUREMENT RELATED INFORMATION  
(Disclosure Form B)

The Treasurer's Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offersors desiring to enter into certain contracts with the State of Illinois must disclose the information as specified below.

Contractor/offersor shall disclose the information identified below as a condition of receiving an award or contract.

This requirement is applicable to only those contracts with an annual value exceeding \$10,000.

You must submit this information along with your bid, proposal or offer.

- a. Contractor/offersor shall identify whether it has current contracts (including leases) with other units of State of Illinois government by checking "Yes" \_\_\_\_\_ or "No" \_\_\_\_\_.

If "Yes" is checked, identify each contract by showing agency name and other descriptive information such as purchase order or contract reference number (attach additional pages as necessary).

- b. Contractor/offersor shall identify whether it has pending contracts (including leases), bids, proposals, or other ongoing procurement relationships with other units of State of Illinois government by checking "Yes" \_\_\_\_\_ or "No" \_\_\_\_\_.

If "Yes" is checked, identify each such relationship by showing agency name and other descriptive information such as bid or project number (attach additional pages as necessary).

This disclosure is submitted on behalf of \_\_\_\_\_  
(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offersor:

Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_