



# CITY OF LOS ANGELES

REQUEST FOR PROPOSALS FOR CUSTODIES AND  
SECURITIES LENDING SERVICES

## Request for Proposal (RFP) at a Glance

All times listed herein reflect Pacific Time.

Release Date	<b>February 26, 2026</b>
Deadline to Protest RFP Content	<b>March 6, 2026, No later than 4:00 PM</b>  Content Protests are to be submitted via the Question Portal Link under the topic area selection RFP Content Protest.
RFP Submission Deadline	<b>May 8 2026, No later than 4:00 PM</b>
Submission of Questions	<b>April 15, 2026, No later than 4:00 PM</b>  Proposers may submit questions regarding this RFP via the following Google Form question link: <a href="#">Custodies and Securities Lending Services RFP Question Form</a> .  All questions responses will be made available to all potential proposers on the RAMPLA website at: <a href="http://www.rampla.org">www.rampla.org</a> . No individual answers will be given.
Project Managers Contract Administrator	Project Managers: Albert Chang, <a href="mailto:albert.chang@lacity.org">albert.chang@lacity.org</a> ; Christian Bleszinski, <a href="mailto:christian.bleszinski@lacity.org">christian.bleszinski@lacity.org</a>  Contract Coordinator: Jesse Bustamante, <a href="mailto:jesse.bustamante@lacity.org">jesse.bustamante@lacity.org</a>
Proposal Delivery	Finance will not accept any hard copy responses, including hand-delivery, USPS, or mail courier. All solicitation responses must be received by the deadline stated above, submitted electronically through <a href="http://www.rampla.org">www.rampla.org</a> , via the RFP Custodies and Securities Lending Services, RAMP ID 226673.
Mandatory Proposers' Conference	Custodies and Securities Lending Services - Mandatory Proposers' Conference <b>Wednesday, March 18 · 1:00 – 2:00pm</b> Time zone: Pacific Time Google Meet joining info Video call link: <a href="https://meet.google.com/qci-vvjw-bwz">https://meet.google.com/qci-vvjw-bwz</a> Or dial: (US) +1 612-440-4607 PIN: 268 101 533#

	<p>More phone numbers: <a href="https://tel.meet/qci-vvjw-bwz?pin=8526237300303">https://tel.meet/qci-vvjw-bwz?pin=8526237300303</a></p> <p><b>Failure to attend the virtual proposer’s conference will result in disqualification of your proposal from further consideration.</b></p> <p><b>Note: Proposers’ conference will NOT include a live question and answer session. All questions are to be submitted via the Google Form question link provided above.</b></p>
Business Inclusion Program (BIP) Outreach Deadline	<p><b>April 24, 2026, 12:00 AM</b></p> <p><b>Potential Proposers that Fail to complete the BIP Outreach requirements by the deadline shall be considered non-responsive, and any subsequent proposal submission will not be reviewed or considered.</b></p>
Protest Filing Deadline and Address	<p>Five (5) Days after Notification of Results are mailed (i.e., postmark date).</p>

**For more information on the City's business outreach opportunities, visit [www.rampla.org](http://www.rampla.org)**

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# 1.0 Introduction and Background

## 1.1 About the City of Los Angeles and Office of Finance

The City of Los Angeles, California (City) is the second most populous city in the United States with an estimated population of approximately 3.8 million residents as of 2025. The City expends several billion dollars in a year for goods, services, and other purchases.

On an annual basis, the Office of Finance delivers services to roughly 500,000 businesses and the collection of over \$3 billion in revenue from various sources including taxes, licenses, fees, and permits which pay for numerous essential municipal services to City residents and businesses. From tax discovery efforts to customer support, the Office of Finance plays a critical role in ensuring a steady flow of funds to sustain City operations and services. Finance is the custodian of all money deposited in the City Treasury and all securities bought by the City. This includes actively managing the City's \$18 billion General and Special Pool investment portfolio, and processing of over \$40 billion through treasury.

As of December 31, 2025, the size of the City's General Pool Investment Portfolio was approximately \$16.4 billion, with an additional \$1.6 billion in special fund investments. The General Pool Investment Portfolio is governed in accordance with the City of Los Angeles' Investment Policy and the California Government Code. The portfolio is divided into three separate portfolios: Core Portfolio, Reserve Portfolio and Extended Reserve Portfolio.

Core Portfolio – The Core portfolio is approximately \$6.2 billion in size and is used to provide cash flow for the short-term obligations of the City and to meet all operating requirements that can be reasonably anticipated. This cash flow horizon is established at twelve months. Flexibility is achieved by placing funds in money market instruments having maturities of one year or less. Total return performance for the Core Portfolio is measured against the ICE BofA U.S. 3-Month Treasury bill index (G001).

Reserve Portfolio – The Reserve portfolio has a market value of approximately \$7.3 billion and is used to fund longer-term obligations of 1 to 5 years. When the City Treasurer deems that the short-term cash flow needs are met, the excess funds may be invested beyond twelve months. Securities purchased can exceed five years in maturity, providing that they are U.S. Treasuries, Government Sponsored Enterprise (GSE's) or suitable Corporate Bonds. The benchmark used to measure total return performance on the Reserve Portfolio is the ICE BofA U.S. Corporate and Government, 1-5 years, A-rated and above Index (BU10).

Extended Reserve Portfolio – The Extended Reserve portfolio has a market value of approximately \$ 2.8 billion and allows a portion of the General Pool to be invested longer out the interest rate curve from 5 to 10 years. The portfolio holds primarily U.S. Treasury bonds as well as some allocation to GSE bonds. The benchmark used to measure total return performance on the Extended Reserve Portfolio is the ICE BofA 5-10 Year US Treasury Index. (G602).

## 1.2 Services Solicited

The City has long been committed to excellence in fiscal administration, striving for the highest standards of performance and accountability. As part of its continuing efforts to ensure operational and management excellence, the City is inviting competitive proposals from qualified and experienced Institutions to administer Custody and Securities Lending Services. The City's objective in requesting proposals is to select service provider that can offer the highest quality of service at a reasonable cost.

## 1.3 Eligible Proposers

Proposals will be accepted only from individuals or organizations that meet the following criteria. Proposers must:

1. Be a state or national bank, savings association or federal association, federal or state credit union, or federally insured industrial loan company, pursuant to California Government Code Section 53648;
2. Have a complete understanding of the documents that govern investments such as the California Government Code, the City's Investment Policy and Investment Guidelines;
3. Have been in the investment custody business for a minimum of ten (10) years and have at least five (5) years documented experience in providing investment custodial services or securities lending services for clients with assets that exceed \$5 billion;
4. Have relevant insurance coverage and bond limits to provide custodial and securities lending services to clients with assets in excess of \$5 billion;
5. Confirm that the person(s) who will act as the proposer's primary contact(s) for the contract(s) have at least five (5) years' experiences in investment custodial services and securities lending services for clients with assets in excess of \$5 billion; and
6. Be financially solvent and appropriately capitalized to be able to serve the City.

The City will enter into an agreement only with entities that are in good standing with the California Secretary of State.

## 2.0 Scope of Work

The City expects its service provider to be highly experienced in Custodies and Securities Lending Services.

Primary Scope of Duties include, but are not limited to:

### 2.1 Custody Services

- Create, maintain, and retain all records relating to securities held in custody in client accounts to meet the requirements and obligations under Generally Accepted Accounting Principles (GAAP).
- Possess internal accounting and administrative controls to ensure that the custodian is in compliance with applicable laws as it relates to investment transactions.
- Monitor and record the collection of funds in accounts maintained by the custodian on behalf of the City.

- Provide monthly activity statements and reports for all accounts, including market value of all securities. The statement cut-off should be the last day of the month. Statements must be sent no later than the tenth business day of the following month and shall also be available electronically.
- Provide daily market valuations for all custodied securities.
- Auto send daily portfolio holdings reports to third party vendors such as bond analytic providers.
- Provide on-demand and real-time queries and reports via web portal access.
- Provide your system's capabilities as it relates to data customization and how work processes can be automated.

## **2.2 Securities Lending Services**

- Enter into agreements with borrowers, subject to Finance approval per the terms set forth in this RFP and the agreement between the City and the service provider; and negotiate fees with eligible borrowers to be paid to the service provider on behalf of the City.
- Deliver to eligible borrowers' securities held in the City's custodian clearing account, as selected by the service provider for securities lending.
- Receive from each borrower, at the time the securities are loaned, eligible collateral securities at a minimum value of 102% of the market value of the loaned securities and accrued interest, if any. Such collateral shall be held as security pursuant to the borrower's security lending agreement with the service provider.
- Hold the collateral such that the City maintains a perfected interest on the collateral at all times.
- Invest cash collateral consistent with the City's Investment Policy and Investment Guidelines.
- Upon termination of any loan, return the collateral securities to a borrower so long as the borrower is not in default and the service provider received the loaned securities from the borrower.
- Remit received and collected interest payments on loaned securities to the City Receive and collect interest payments received on loaned securities and remit them to the City.
- Perform ongoing credit monitoring of the borrowers and collateral.
- Collect and remit securities lending fees from borrowers, as well as income earned on collateral investments. This should be net of fees agreed to by the City and service provider.
- Provide daily and monthly reporting of all securities lending activities to Finance.

- Provide credit ratings from Moody’s and Standard & Poor’s on securities held.
- Provide daily market price data on securities held.
- Provide accurate reports at fiscal year-end that comply with the Governmental Accounting Standards Board Rule 28.

The City reserves the right to add and/or delete any other areas it may identify in the course of this solicitation to be included as a specific task.

### 3.0 Contract Term

Finance, subject to the approval of the Mayor and City Council, anticipates execution of a contract with an initial term of five (5) years, during which time the cost outlined in the successful proposal shall remain fixed. The contract, at the City’s discretion, may be extended for up to an optional five (5) year term if both parties agree to the extension option(s). The City reserves the right to execute a contract of a shorter term.

### 4.0 Schedule of RFP Process

This schedule indicates estimated dates for the RFP Process as posted on the Regional Alliance Marketplace for Procurement (RAMPLA, [www.rampla.org](http://www.rampla.org)). Finance may adjust the schedule as needed. All times reflect Pacific Time.

RFP Release on RAMP	Thursday, February 26, 2026
Deadline to Protest RFP Content	Friday, March 6, 2026, 4:00 PM
Mandatory Pre-Proposal Conference (Virtual)	Wednesday, March 18, 2026, 1:00 PM
Final Day to Submit Written Questions	Wednesday, April 15, 2026, 4:00 PM
BIP Outreach Completion	Friday, April 24, 2026, 12:00 AM
Proposal Due Date	Friday, May 8, 2026, 4:00 PM

#### 4.1 Mandatory Proposers’ Conference

The City has scheduled a Proposers’ Conference to provide assistance to prospective proposers in the interpretation of the RFP, scope, or any other terms and conditions. The Mandatory Conference will be held virtually via Google Meet on March 18, 2026 at 1:00 PM. Details on accessing the Conference are provided below:

Custodies and Securities Lending Services - Mandatory Proposers' Conference  
Wednesday, March 18 · 1:00 – 2:00pm  
Time zone: Pacific Time  
Google Meet joining info  
Video call link: <https://meet.google.com/qci-vvjw-bwz>  
Or dial: (US) +1 612-440-4607 PIN: 268 101 533#  
More phone numbers: <https://tel.meet/qci-vvjw-bwz?pin=8526237300303>

The City will make a presentation. The conference will not have a live question and answer session. All questions must be submitted via the Investment Advisory Services Question Form prior to the question submission deadline. City responses will be posted on RAMPLA for all potential bidders to review. City staff will not provide assistance regarding a Proposer's individual bid.

**Failure to attend the virtual proposer's conference will result in disqualification of your proposal from further consideration.**

## **4.2 Technical Assistance**

With the exception of the Proposers' Conference, all technical assistance questions must be submitted on <https://snow.lacity.org/rampla>. **Please be advised that due to a current staffing shortage, technical assistance for RAMPLA-related issues may be delayed. Proposers are therefore strongly encouraged to test their login information and submit any questions as soon as possible to ensure a timely response.**

In addition, send an email notification of the technical issue to the Project Managers at [Albert.Chang@lacity.org](mailto:Albert.Chang@lacity.org) and [Christian.Bleszinski@lacity.org](mailto:Christian.Bleszinski@lacity.org), and Department Contract Coordinators at [jesse.bustamante@lacity.org](mailto:jesse.bustamante@lacity.org) and [ricardo.estrada@lacity.org](mailto:ricardo.estrada@lacity.org) for awareness of the technical issue. Please identify the RFP title on the email subject line to ensure prompt attention from the appropriate City staff.

To ensure a fair and consistent distribution of information, all questions will be answered by a Question-and-Answer (Q&A) Addendum(s) available on the RAMPLA website: [www.rampla.org](http://www.rampla.org). No individual answers will be given. The Q&A Addendum(s) will be uploaded regularly until all questions are answered to ensure the prompt delivery of information.

## **5.0 Requirements for Proposal Submission and Content**

### **5.1 Deadline for Submission of Proposals**

All responses must be received no later than May 8, 2026, no later than 4:00 PM PT. Proposals submitted after the Proposal Submission Deadline shall be considered late and non-responsive and will not be reviewed or considered. Timely submission of proposals is the sole responsibility of the Proposer. Proposers are encouraged to submit proposals well in advance of the proposal submission deadline. The City reserves the right to determine the timeliness of all proposal submissions.

### **5.2 Electronic Delivery of Proposals**

Finance will not accept any hard copy responses, including hand-delivery, USPS, or mail courier. All proposals and documents must be submitted electronically through RAMPLA at [www.rampla.org](http://www.rampla.org), via the RFP opportunity, RAMP ID# 226673.

Any technical assistance questions related to RAMPLA proposal submission must be submitted on <https://snow.lacity.org/rampla>. **Please be advised that due to a current staffing shortage, technical assistance for RAMPLA-related issues may be delayed. Proposers are therefore strongly encouraged to test their login information and submit any questions as soon as possible to ensure a timely response.** In addition, send an email notification of the technical issue to [albert.chang@lacity.org](mailto:albert.chang@lacity.org), [christian.bleszinski@lacity.org](mailto:christian.bleszinski@lacity.org), [jesse.bustamante@lacity.org](mailto:jesse.bustamante@lacity.org)

and [ricardo.estrada@lacity.org](mailto:ricardo.estrada@lacity.org) for awareness of the technical issue. Identify the RFP title on the email subject line to ensure prompt attention from the appropriate City staff.

Based on evaluation of the above information the Department may provide the Contractor the opportunity to submit the proposal via an alternate method. **If the above procedures are not followed as stipulated or sufficient evidence provided, the Department may determine the firm as non-response and disqualified from further consideration.**

### 5.3 Format of Proposals

**Part 1, Proposal** - All information and documentation requested shall be submitted together and shall not exceed 70 pages, excluding attachment submissions.

**Pages in excess of the stated limits will not be read and will not be considered in scoring.**

Emphasis should be on completeness and clarity of content with sufficient detail to allow for accurate evaluation and comparative analysis.

**Part 2, Redacted Proposal** – Copy of the proposal redacted with information that the proposer deems to be confidential business information. The redacted version of the proposal may be available for public records requests to all interested parties.

**Part 3, Mandatory City Contracting Requirements** – All City Contracting Requirements specified in Appendix A must be submitted electronically via RAMPLA (as electronically accessible). Part 3 is not included in the page limit.

### 5.4 General Preparation Guidelines

Proposals shall be based only on the material contained in the RFP, Proposers' Conference responses, amendments, addenda, and other material published by the City related to the RFP. The Proposer shall disregard any previous draft material and oral representations that may have been obtained by the Proposer. Proposals shall be submitted in accordance with the requirements set forth in this RFP. It is requested that the proposal be prepared economically to avoid the use of unnecessary promotional material.

**If a proposer does not follow these instructions and/or information is omitted or a required attachment is not submitted, the proposer/bidder may be determined to be ineligible and excluded from the review process.**

1. The proposal must be submitted in the legal name of the firm or corporation. An authorized representative of the proposer organization who has legal authority to bind the organization in contract with the City must sign the proposal. Consortiums, joint ventures, or teams submitting proposals will not be considered responsive unless it is established that all contractual responsibility rests solely with one Proposer or one (1) legal entity. The proposal must identify the responsible entity;
2. Each page of the proposal, including attachments, must be numbered sequentially at the bottom of the page to indicate Page\_\_of\_\_;
3. Answers to any questions presented in the RFP should be as concise as possible while providing all the information requested; and
4. In completing the narratives and attachments, including the fee schedule, please include and clearly identify the services to be provided by and the demonstrated ability of subcontractors, if any.

## 5.5 Documents to be Completed and Submitted

Proposers must include in their proposal all of the sections listed in the table below. Do not assume that any section is not applicable. If the proposer does not follow all the instructions and/or requirements in this RFP, the proposer may be determined to be ineligible and excluded from the review.

Required Forms/Attachments	Description
Cover Letter	<p>All proposals must be accompanied by a cover letter that should be limited to one (1) page. The letter must:</p> <ol style="list-style-type: none"> <li>1. Include the title, address, telephone number, fax number, and email of the person(s) who will be authorized to represent the proposer and each collaborator.</li> <li>2. Be signed by the person(s) authorized to bind the agency to all commitments made in the proposal and, if applicable, be accompanied by a copy of the Board Resolution authorizing the person(s) to submit the proposal. If a Board Resolution cannot be obtained prior to proposal submission, it may be submitted no later than one (1) calendar week after the proposal submission deadline.</li> </ol> <p>Identify the individual or firm, which prepared or assisted in preparing the proposal. If that individual or firm will not participate in the implementation of the project, describe how the transfer of responsibility will occur to ensure timely implementation.</p>
Business Organization and Financial Statements	<p>State the full name and address of your organization and, if applicable, any branch or district office that will be managing the Program.</p> <p>Indicate whether you operate as an individual, partnership, or corporation. If a corporation, include the State in which you are incorporated.</p> <p>The proposer must provide a summary of relevant historical background information of the contractor as a firm or other entity and a copy of its most recent financial statements for the past three years. If the proposal includes subcontractors, this requirement is also applicable to those organizations. Documentation submitted will be used as an indicator of the ability of the contractor (and subcontractors, if any) to provide the requested services over the full term of the contract.</p>

Required Forms/Attachments	Description
Customer Support and Staffing	<p>The Proposer must be able to demonstrate capability and appropriate experience of key personnel that will be assigned to implement and manage this program.</p> <p>The City shall have the right to conduct background verifications on all key personnel directly assigned to the Program. The City will reserve the right to approve any changes in key personnel. Such approval will not be unreasonably denied.</p> <p>Due to the nature of the work involved and the confidentiality of data and programming processes the City is seeking a Proposer which will have work performed predominately within the United States of America.</p>
Statement of the Program	<p>Succinctly state your understanding of the work being contracted for by the City and presented in this RFP.</p>
Firm Qualifications, Experience and References	<p>The Proposer must submit a narrative describing the firm’s qualifications to perform the requested work, identify any projects that involve/involved an equivalent level of complexity and scale in relation to the effort detailed in this RFP.</p> <p>The Proposer must submit a minimum of three (3) non-proposer owned customer references for work performed by the Proposer within the last three (3) years. Materials and/or services provided to these customers must be comparable to the City’s requirements within this proposal.</p> <p>Include the following for each reference:</p> <ol style="list-style-type: none"> <li>1. Company Name</li> <li>2. Name of Contact</li> <li>3. Title of Contact</li> <li>4. Telephone Number and email address</li> <li>5. Dates and Types of Services Provided</li> <li>6. Monetary Value of Services Provided</li> </ol> <p>The City may, at its discretion, contact other known Proposer’s customers for references.</p>

Required Forms/Attachments	Description
<p>Project Approach and Work Plan   (Two pages maximum)</p>	<p>Provide a narrative which shows your firm’s understanding of the project’s requirements and documents a logical technical approach to the scope of work. Include a general work plan as well as the proposed approach to undertaking the scope of work described in Section 2 this RFP.</p> <ol style="list-style-type: none"> <li>1. Using the scope of services presented in this RFP, propose a work plan detailing major tasks and subtasks and the work to be conducted in each.</li> <li>2. If specific project team members or proposers are critical to specific tasks, identify where they will be utilized and/or committed.</li> <li>3. Identify appropriate assumptions and considerations that could impact the scope and timeline for completing each task.</li> <li>4. Clearly identify any deliverables or resources which the City would need to provide and when those deliverables or resources would need to be provided on the proposed work plan.</li> </ol>
<p>Custody Services  a. Custody and Safekeeping   (Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Describe your depository memberships and the services you use at these depositories.</li> <li>2. Describe your system for the registration and custody of assets.</li> <li>3. State what restrictions, if any, there are on the types of securities that may be held for safekeeping.</li> <li>4. List all insurance coverage relevant to the custody department. Indicate the type and amount.</li> <li>5. Indicate if any securities have been misplaced or lost during the past three years. If any, describe the circumstance(s) and what was done to correct the problem.</li> <li>6. Indicate if your bank requires a Demand Deposit Account (DDA) underlying each custody account. If yes, briefly describe: <ol style="list-style-type: none"> <li>a. How fund balances are determined (e.g., posting cycles, availability);</li> <li>b. How the basis for compensation on these accounts; and</li> <li>c. Whether transactions are posted individually or in aggregate.</li> </ol> </li> <li>7. State whether the bank accepts responsibility for losses of securities held in depository and clearing agencies. If not, please explain.</li> <li>8. Describe your banks capability to accommodate SEC Rule 144A securities.</li> </ol>

Required Forms/Attachments	Description
<p>Custody Services  b. Customer Service  (Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Describe State the number of staff members devoted exclusively to the delivery of custody services.</li> <li>2. State the group who will be responsible for monitoring, tracking and communicating daily security settlement and cash wire activities.</li> <li>3. Describe how your client service group is organized. If there is no formal group, discuss how client services are addressed. Identify key individuals and specific responsibilities of those who would be assigned to this account. Describe what each person's role and responsibilities will be, as well as the relevant credentials, experience and past performance of each person on the relationship management team.</li> <li>4. State the rank and level of authority of the account administrator who would be assigned to this account, and state the number of staff this administrator manages.</li> <li>5. State your processes for tracking and monitoring client inquiries and for handling complaints and requests for changes.</li> <li>6. Provide the date and outcome of the bank's last measurement of service quality and customer service.</li> <li>7. Describe the type of periodic training programs provided for custody services, securities lending, income collection, client administration and securities markets.</li> <li>8. List any educational sessions, user conferences, etc. offered for your clients and the methods of delivery for these educational offerings.</li> </ol>

Required Forms/Attachments	Description
<p>Custody Services  c. Accounting and Reporting  (Two pages maximum, excluding reporting sample)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Describe how your system reports or accommodates trade date, contractual settlement date, cash basis accounting or combination thereof.</li> <li>2. Indicate whether your system perform accrual accounting.</li> <li>3. State how transactions are not accrued.</li> <li>4. Describe the procedures you use to reconcile client and custodian records.</li> <li>5. List the available reports and what credit rating information (from Fitch, Moody's, and Standard and Poor's) is available for inclusion in the reports.</li> <li>6. Explain the feasibility of uploading reports to Microsoft Excel and other commonly used programs as well as any fees associated with any of these services.</li> <li>7. State how frequently and by which methods you communicate Corporate Actions on securities held in our portfolios.</li> <li>8. State when month-end accounting reports are delivered.</li> <li>9. Indicate the availability of annual statements and reports after year-end audits have been conducted.</li> <li>10. Provide a hard copy sample of your monthly statement.</li> <li>11. State your capability to prepare ad hoc reports from available data and any additional charge for this service.</li> <li>12. State how your statement/reporting function incorporates transactions/activities which have occurred outside of your organization.</li> <li>13. The daily and month-end market prices should in the format that our system requires, which is in csv.</li> <li>14. Explain how your system provides daily redemption/maturities, coupon payments, calls, sale and forward purchases including the monthly dividend income for all outstanding sweep balances. Would we be able to get these the day before settlement or early morning?</li> <li>15. Explain how and when the monthly investment holdings are available and the format by which it is presented.</li> </ol>

Required Forms/Attachments	Description
Custody Services d. Audit Controls (Two pages maximum)	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"><li>1. Provide copies of:<ol style="list-style-type: none"><li>a. Your audited financial statements for the past three years;</li><li>b. Your most recent published annual report; and</li><li>c. Audited quarterly financial statements for the most recent two quarters.</li></ol></li><li>2. Provide copies of all Internal Control opinions issued by your independent auditors specifically related to your custody services within the last three years.</li><li>3. Provide Statement of Auditing Standards-70 (SAS-70 report) if available and whether these reports are available on an annual basis.</li><li>4. Describe the levels of management review conducted in order to audit reports and who or what level is required to implement changes to correct audit deficiencies that are identified.</li><li>5. State who is responsible for monitoring audit recommendations made to management.</li></ol>

Required Forms/Attachments	Description
<p>Custody Services  e. Trade Settlement  (Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Briefly describe how your bank handles securities processing on behalf of its clients for each of the items listed below. Where automated processing is available, indicate the nature of the automation and level of availability (e.g., overnight batch, real-time). <ol style="list-style-type: none"> <li>a. Receipt of trade instructions including same-day (cash) trades</li> <li>b. Affirmation processing (DTC). Indicate what provisions have been made for interactive ID</li> <li>c. Securities movement and control (SMAC) systems update</li> <li>d. Securities position reporting and reconciliation</li> <li>e. Reporting of income on securities held</li> <li>f. Trade discrepancies (e.g., DK's)</li> <li>g. Settlement of block trades greater than \$50 million</li> </ol> </li> <li>2. Describe your system's built-in edit features to ensure accuracy in trade input (e.g., security description/security identifier cross check features, calculations of remaining par on factor-based securities, computation of accrued interest).</li> <li>3. Describe your current use of electronic transmissions to upload trade files and book transfers and wire instructions. How does your web-based portal communicate current holdings and other information to and from clients, and the level of automation, standby procedures and customization options.</li> <li>4. State whether purchase and sale settlements are posted on an actual or contractual basis. If a contractual settlement approach is being utilized, indicate any stipulations or exceptions to this method.</li> <li>5. Describe your Customer Support service in the event there are any trade or settlement issues.</li> <li>6. State whether your system shows clearing-house and Federal funds postings and/or summaries.</li> <li>7. Describe the process your bank utilizes to handle time sensitive wires.</li> <li>8. Provide your procedures for: <ul style="list-style-type: none"> <li>o Monitoring and resolving failing trades;</li> <li>o Compensating for income lost for fails;</li> <li>o Treatment of funds held for fails until the trade is settled;</li> <li>o Minimizing failed trades; and</li> <li>o The client to view failed trades online.</li> </ul> </li> </ol>

Required Forms/Attachments	Description
<p>Custody Services  f. Income Collection  (Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. List your sources of, and how you account for, pay down information on all factor-based securities (e.g., ABS &amp; MBS) and whether you maintain a record of original face value.</li> <li>2. Provide your policy for posting income (i.e., contractual vs. actual).</li> <li>3. Indicate whether you provide pre-notification for income reversals.</li> <li>4. Provide your process for resolving interest payments that were not delivered by the paying agent.</li> </ol>
<p>Custody Services  g. Cash Management  (Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Indicate whether income payments credited as same day funds.</li> <li>2. Indicate whether you sweep cash automatically.</li> <li>3. Provide the percentage of fails you have experienced in the last three years for sales and for purchases.</li> <li>4. Indicate whether you net buy and sell fails.</li> <li>5. Explain your understanding of the time restrictions for investment transactions.</li> <li>6. Provide a list of the short-term investment vehicles available to your clients that would be permissible under the California Government Code and appropriate for the City of Los Angeles. Please include: <ol style="list-style-type: none"> <li>a. Fund Name</li> <li>b. CUSIP</li> <li>c. Investment philosophy and objective</li> <li>d. Types of allowable investments</li> <li>e. Investment performance (current and past three years)</li> <li>f. Management/administration fees and conditions.</li> </ol> </li> </ol>
<p>Custody Services  h. Pricing  (Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. State the source of your pricing data for bonds, and how frequently prices are updated.</li> <li>2. State whether asset valuations include accrued income and pending transactions.</li> <li>3. Describe the procedure for resolving valuation differences between the investment manager and the custodian.</li> </ol>
<p>Custody Services  i. Collateralization of Deposits  (Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Provide the institution's procedure for collateralizing public funds deposits in detail, if applicable, including: <ol style="list-style-type: none"> <li>a. Types of securities are used as collateral;</li> <li>b. Which department is responsible for tracking deposits and monitoring collateral;</li> <li>c. The institution's current dollar amount of public funds deposits and related collateral.</li> </ol> </li> </ol>

Required Forms/Attachments	Description
<p>Securities Lending  ( Four pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Provide an overview of your securities lending operation and how long have you been engaged in securities lending.</li> <li>2. State how many clients participate in your securities lending program.</li> <li>3. Provide the number of borrowing relationships your organization has and how those borrowers are selected.</li> <li>4. Describe your ongoing borrower monitoring process and the frequency of review of their creditworthiness.</li> <li>5. Describe how your policy indemnifies the client against collateral investment losses and broker default.</li> <li>6. Describe your collateralization policy including which forms of collateral are acceptable and the percentage of collateralization required for each security type.</li> <li>7. Describe how securities lending collateral is invested and to what extent can a client customize collateral investment guidelines.</li> <li>8. State your reporting procedure, how often you report, what is included in the reports and whether the information is available online, including offering daily reports for compliance purposes.</li> <li>9. State how you respond to any non-compliance violations.</li> <li>10. Discuss how your securities lending program complies with industry standards.</li> </ol>

<p>Technological Advances</p> <p>a. Systems Capabilities (Five pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"><li>1. Describe how your Custody department is supported by a dedicated data processing, programming and application staff including the number of personnel and how are they contacted.</li><li>2. Describe the hardware and software systems used in custody operations.</li><li>3. Indicate whether the safekeeping system use dedicated hardware.</li><li>4. State how long the current hardware has been in place and when the next hardware upgrade will take place.</li><li>5. Describe the back-up and recovery capabilities you have in place for emergencies and where is the back-up system is located.</li><li>6. State when the software was developed and whether it was developed internally or externally.</li><li>7. Describe and major changes and/or upgrades to your system that you are now planning and any required modification(s) on your client side.</li><li>8. Describe your system's on-line capabilities for clients and their investment managers in a real time environment.</li><li>9. Indicate many of your clients utilize online services.</li><li>10. Describe the advantages of the system.</li><li>11. Describe the limitations of the system.</li><li>12. Describe the training you provide for client personnel in the use of the system.</li><li>13. Describe the ability for data from your on-line system to be exported to applications such as Microsoft Excel, Bloomberg, BondEdge, Access, Sympro, etc.</li><li>14. Describe the capabilities of your system to report brokerage commissions in a variety of configurations (i.e., by account, by manager, by broker, etc.).</li><li>15. Service Enhancements: Based on the information provided in the RFP and your firm's knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that should be considered for further improving the effectiveness of the City's custody operations.</li></ol> <p><b>Web Application Security – The following section pertains to web applications hosted on the Internet.</b></p> <ol style="list-style-type: none"><li>16. State the encryption strength used to secure the connection between the web application and the client and whether the application website has a valid security certificate.</li><li>17. Describe the methods used to authenticate the web client (tokens, digital certificates, etc.).</li><li>18. Describe the process for storing passwords and whether stored passwords are hashed or encrypted.</li><li>19. Describe the administration features for web applications including:<ol style="list-style-type: none"><li>a. Whether client-side administrators are supported;</li><li>b. Whether dual administration is supported; and</li><li>c. Whether groups and/or roles are supported.</li></ol></li></ol>
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<b>Required Forms/Attachments</b>	<b>Description</b>
Technological Advances b. Disaster Recovery (Five pages maximum)	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"><li>1. Describe your disaster recovery plans and procedures.</li><li>2. Indicate how often are contingency plans reviewed and tested. Briefly describe the testing methodology (e.g., simulated disaster with the actual off-site system regeneration and recovery) including when were the plans last tested.</li><li>3. Indicate whether you ever had to implement your disaster recovery plan in an actual disaster. If yes, describe the circumstances in the effectiveness of the plan.</li><li>4. State where are the data centers located.</li><li>5. Indicate how far apart your primary and alternate data center facilities are.</li><li>6. Provide details of your remote-access capabilities (work from home or other locations) and whether this offered to all staff or selected users. Please make note of any capacity issues related to maximum number of users who can use remote access functionality at one time.</li></ol>

Required Forms/Attachments	Description
<p>Technological Advances</p> <p>c. Transition and Conversion Management</p> <p>(Two pages maximum)</p>	<p>Please provide a narrative that responds to the following:</p> <ol style="list-style-type: none"> <li>1. Provide a detailed task list and schedule on how you will approach the process of transition from our existing custody and/or securities lending relationship, including action required on the part of the client and the time frame to complete each task. Clearly describe the conversion process: who is responsible for coordinating activities, who must participate, what activities must occur, etc. Detail the type and amount of resources required from the client. Please detail all costs associated with the transition to and conversion of all of the new services.</li> <li>2. Describe what dedicated resources (personnel, equipment, training, consultants, etc.), procedures, and controls you will provide or recommend in the transition/conversion period to ensure that the conversion process is completed successfully in a timely and accurate manner.</li> <li>3. State your procedure for processing transactions which are pending during the transition/conversion.</li> <li>4. Describe the process for transferring physical securities and appropriate client files.</li> <li>5. Specify the number and length of any “blackout” period(s) during which investment managers may not institute trades in accounts. If there is a “blackout” period(s), state why this occurs.</li> <li>6. Indicate whether the conversion team separate from the ongoing service team. If yes, describe how you will ensure a smooth hand-off from the conversion team to the ongoing service team.</li> <li>7. Describe the onsite training and support for all of the services selected that will be provided by your firm.</li> <li>8. Describe in detail how the institution handles problem resolution, customer service, day-to-day contact, and ongoing maintenance for governmental clients. Please be specific about exactly whom the City will be calling and working with for the above described situations.</li> <li>9. Provide an estimated conversion calendar which includes: <ol style="list-style-type: none"> <li>a. The typical length of transition;</li> <li>b. Actions required on the part of Finance and the current Custodian; and</li> <li>c. Time frame for completing each task.</li> </ol> </li> <li>10. Briefly describe your conversion approach (including your dedicated resources for conversions - i.e., personnel, equipment, and consultants).</li> </ol>

Required Forms/Attachments	Description
<p>Cost and Pricing</p>	<p>Provide all pricing and cost information. All responses should include a proposed payment schedule itemizing all deliverable payment amounts and dates. The pricing proposal should include all relevant fees and charges that would be assessed for the services detailed in this RFP including but not limited to any travel-related costs, miscellaneous costs, or inflation adjustment costs, should be identified and proposals should state this fact clearly.</p> <p>Depending on the plans designed in the RFP responses there may be some alterations to the deliverables and/or payment schedule set forth in the final resulting agreement. The proposal must also note how long the pricing is valid, how changes to the pricing and fees are implemented, how the City is notified of any changes, and what lead time the City receives before a change in pricing is implemented. The proposal must also explain invoicing and analysis statements. The City reserves the right to accept other than the lowest priced offer and to reject any proposals that are not responsive to this request.</p> <p>Do not include California State sales tax in prices quoted unless otherwise requested. Sales tax must be identified as being included in the pricing.</p>

### 5.6 Appendix A – City Contracting Requirements

All required City Contract compliance forms are identified and described in Appendix A to this Request for Proposals. The Appendix A can be found and downloaded on the RAMPLA Opportunity webpage under the opportunity title “RFP Custodies and Securities Lending Services” or under RAMPID No. 226673. Proposers are required to submit all documents through RAMPLA (as electronically available for submission), as specified in Appendix A.

### 6.0 Evaluation Criteria

An Evaluation Committee, appointed by the Director of Finance, will evaluate each proposal in accordance with the RFP’s requirements. Proposals shall be determined eligible for review and scoring based on the responsiveness and factuality or verifiability of the proposal documentation and information. If further information is desired, proposers may be requested to make additional written submissions to Finance or may be requested to make oral presentations to the Evaluation Committee. The evaluation will be based on the proximity of a proposal’s prices to competitive market values and relative to other proposers’ pricings, quality of responses to the RFP, and reasonableness of the proposer’s costs relative to other proposers. Proposals shall be evaluated based on the criteria described below:

	Criteria	Weight
1	Proposers will be evaluated based on the depth and breadth of its custody services and/or securities lending services expertise and capacities. The provided references will be verified. Reviews of other databases and documents reflecting past performance history will also be conducted in finding an experienced, reputable proposer with the highest performance and ethical standards.	25%
2	Proposers must adequately dedicate an individual and a team of experienced and qualified professionals to provide requested services. The credentials, experience and track record of past performance of the service team will be evaluated. In addition, direct service and assistance must be available during critical moments such as same-day settlements, and in resolving any issues that may impede the Investment Division's ability to provide book transfer and wire instructions in a time-sensitive environment.	25%
3	The quality of the proposer's technology solutions for processing and reporting financial, accounting and settlement transactions including ease of navigation, seamless integration of multiple system interfaces, timeliness of information reporting, flexibility in regards to automation and systems stability will be assessed.	25%
4	A review of the proposer's financial capability and strength based on its financial statements and RFP responses will be conducted. The ability to sustain long-term stability and endure market-driven volatility will be considered, as well as the ability to monitor and manage risk.	15%
5	Value offered to the city considering cost in comparison to professional capabilities and experience and past performance.	10%
TOTAL		100%

The City reserves the right to:

- Require a pre-award interview, site inspection, and/or telephone conference call with Proposers;
- Select more than one (1) contractor as a result of this RFP; and
- Modify the City's objectives and requirements at any point during the period prior to submittal deadlines (by RFP Addendum) without liability, obligation, or commitment to any party, firm, or organization for costs incurred in responding to this RFP, RFP Addendums, or subsequent modifications of the City's terms and conditions prior to execution of a contract.

The City's decision to award a contract(s) will be based on the stated evaluation criteria. Proposals will be evaluated against others proposing to provide the same services and to independent cost estimates. The Proposer with the best combination of quality, price, and various qualitative elements of required services based on the RFP criteria and that also satisfies all City contracting requirements will be recommended for selection. Selection is not restricted to the lowest offer or bid. The lowest-cost proposer may not be determined to be the best proposer when all the evaluation factors have been considered.

## **7.0 Evaluation and Selection Process**

### **7.1 Mandatory Requirements**

All proposals will be reviewed by the City to determine if the proposals contain minimum essential requirements outlined in the RFP, including instructions governing submission and format and compliance with Mandatory City Contracting Requirements, including the outreach requirements of the Business Inclusion Program (BIP) (Refer to Appendix A). Those Proposals deemed non-responsive will be notified in writing.

### **7.2 Proposal Review Process and Scoring**

An Evaluation Committee will rank all responsive proposals with respect to the evaluation criteria. The successful Proposer(s) will be named after the proposals and presentations, if requested, are evaluated to select the most qualified Proposer(s). Report and recommendations will be made by the panel to the Director of Finance and will be forwarded to the Mayor and City Council for approval.

### **7.3 Proposal Review Process**

The proposal review process shall include the following major activities to ensure that the procurement meets audit standards:

1. All proposals shall be reviewed to determine that the minimum eligibility requirements are met. Ineligible proposers will be informed in writing;
2. All eligible proposals shall be reviewed, scored, and ranked;
3. Each eligible proposal shall be reviewed for costs that are reasonable, allowable, necessary, and competitive, as measured by a review of the line-item budget, and its competitive standing as compared to all other proposals;
4. A proposal's fee schedule pricing will be judged based on its proximity to the City's competitive market value pricing and other proposers' pricing;
5. At the City's sole discretion, oral interviews may be held with top-scoring proposers. The results of the oral review may determine the final funding recommendations; and,
6. Proposers shall be notified in writing about funding recommendations and evaluation results.

### **7.4 Proposal Evaluation of Finalists**

Proposers may be required to make oral presentations to the Evaluation Committee and should be prepared to have key management personnel available for these interviews.

## **7.5 Evaluation by Forced Ranking**

Each Evaluation Committee member shall rank all proposals from highest to lowest based on the final scores he or she gave to each proposer. In the event of a tie in points, the Committee member shall still rank the proposers. Equal rankings shall not be allowed. Each Committee member shall turn in both their final scores and summarize the ranking. If a consensus ranking is not achieved (i.e. all Committee members rank the same proposer first) then the Chair shall convene the Committee to discuss the strengths and weaknesses of each proposal. After the discussion, each Committee member shall privately re-rank all proposals and turn in the rankings to the Chair. If a consensus ranking is achieved then the highest ranked proposer shall be recommended. If a consensus is not achieved, then proposers with the highest-ranking average rank (with each Committee member's ranking weighed equally) shall be recommended. In the event of a tie, the Chair shall recommend the preferred proposer from among the tied proposers and shall document in writing the reason for his or her decision. The Chair shall present the Evaluation Committee's recommendation to the Director of Finance. The Director of Finance is the final decision maker at Finance and will submit the department's recommendation to the Mayor and City Council.

## **7.6 Local Business Preference Program**

Proposers may be eligible for additional evaluation points if located within the City of Los Angeles under the Local Business Preference Program. To qualify, a firm must be certified by the Bureau of Contract Administration, Office of Contract Compliance and identified on RAMP prior to the Proposal Submission Deadline. More details can be found in Appendix A, Section T [Local Business Preference Program] or [bca.lacity.org/BIS-Program-and-Local-Business-Preference](http://bca.lacity.org/BIS-Program-and-Local-Business-Preference).

## **8.0 Submission Terms**

### **8.1 Acceptance of Terms and Conditions**

Submission of a proposal pursuant to this RFP shall constitute acknowledgment and acceptance of all terms and conditions hereinafter set forth in this RFP unless otherwise expressly stated in the proposal.

### **8.2 Conference During the Proposal Period**

After the Proposal Submission Deadline and continuing until a contract has been awarded, all City personnel involved in the project are directed NOT to hold any meetings, conferences or technical discussions with any Proposer except as provided for in the RFP. Proposers shall not communicate in any manner with City personnel regarding the RFP or the proposals during this period of time, unless authorized, in writing, by the Evaluation Committee. Failure to comply with this requirement will automatically terminate further consideration of that bidder's proposal.

### **8.3 Costs Incurred by Proposers**

All costs of proposal preparation shall be borne by the proposer. The City shall not, in any event, be liable for any pre-contractual expenses incurred by proposers in the preparation and/or submission of the proposals. Proposals shall not include any such expenses as part of the proposed budget.

## **8.4 Best Offer**

The proposal shall include the proposer's best terms and conditions. Submission of the proposal shall constitute a firm and fixed offer to the City that will remain open and valid for nine (9) months.

## **8.5 Accuracy and Completeness**

The proposal must set forth accurate and complete information as required in this RFP. Unclear, incomplete, and/or inaccurate documentation may not be considered. Falsification of any information may result in disqualification.

If the proposer knowingly and willfully submits false performance or other data, the City reserves the right to reject that proposal. If it is determined that a contract was awarded as a result of false performance or other data submitted in response to this RFP, the City reserves the right to terminate the contract.

Unnecessarily elaborate or lengthy proposals or other presentations beyond those needed to give a sufficient, clear response to all the RFP requirements are not desired.

## **8.6 Omissions and/or Deviations**

Any omissions and/or deviations from this proposal must be listed with complete explanations.

Proposals will be considered for materials or services deviating from the specifications if such products comply substantially with the specifications. Each deviation from the specifications must be stated in a letter attached to your proposal. If provisions of the specifications restrict a proposer from bidding, that proposer may request in writing that the specifications be modified. Such request must be received by the Finance's Project Manager and Contract Coordinator at least fifteen (15) business days before the Proposal Submission Deadline. All proposers will be notified by Addendum of any approved change in the specifications.

Finance shall be the sole determiner of substantial compliance with specification. Failure to submit or disclose deviations from the RFP specifications will make the proposal non-responsive.

## **8.7 Withdrawal of Proposals**

The Proposer may withdraw a submitted proposal in writing at any time before the specified Proposal Submission Deadline. A written request, signed by an authorized representative of the firm must be submitted to Finance's Project Manager and Contract Coordinator. After withdrawal of a previously submitted proposal, the Proposer may submit another proposal at any time up to the Proposal Submission Deadline.

## **9.0 Proposal Appeal Process**

Finance will notify all Proposers of the results of the preliminary review, proposal evaluations, and of their right to file an appeal. Proposers may make an appeal of procedural issues regarding non-responsiveness and/or final award of contract.

A protest based on non-selection alone or disagreement with the award of the contract is not sufficient grounds for a protest.

1. Appeals shall be submitted via email to [jesse.bustamante@lacity.org](mailto:jesse.bustamante@lacity.org) and [ricardo.estrada@lacity.org](mailto:ricardo.estrada@lacity.org) within five (5) business days from the date that the notification was emailed identifying the specific reason for the appeal.
2. Appeals may not be more than three (3) pages and shall request an appeals review be granted. Written appeals must include the following information:
  - a. The name, address and telephone number of the proposer;
  - b. The name/title of RFP to which the organization responded;
  - c. Detailed statement of the grounds for appeal.
3. Appeals may not include any new or additional information that was not submitted with the original proposal. Only one (1) appeal per proposal will be permitted. All appeals and protests must be submitted within the time limits set forth in this Section.
4. A panel composed of selected staff will review the appeal for this RFP. After the close of the hearing the panel shall make a final determination for the protest, and shall award the contract accordingly or reject all proposals. If the panel cannot come to a consensus, the Director of Finance shall make the final decision. The decision of the panel or the Director will be the Office of Finance's final recommendation.

## **10.0 General City Reservations**

### **10.1 Submission Deadline**

The City reserves the right to extend the Proposal Submission Deadline should this be in the interest of the City. Proposers have the right to revise their proposals in the event that the deadline is extended.

### **10.2 Withdrawal of RFP**

The City reserves the right to withdraw this RFP at any time without prior notice. The City makes no representation that any contract will be awarded to any proposer responding to the RFP. The City reserves the right to reject any or all submissions.

### **10.3 Reissue of RFP**

If an inadequate number of proposals is received or the proposals received are deemed non-responsive, not qualified, or not cost effective, the City may at its sole discretion reissue the RFP or execute a sole-source contract with a vendor.

### **10.4 Changes of Proposals**

The City shall review and rate submitted proposals. The proposer may not make any changes or additions after the deadline for receipt of proposals. The City reserves the right to request additional information or documentation, as it deems necessary.

### **10.5 Verification of Proposal Information**

The City reserves the right to verify all information in the proposal. If the information cannot be verified, and if the errors are not willful, the City reserves the right to reduce the rating points awarded.

## **10.6 Pre-Award Interview**

The City reserves the right to require a pre-award interview and/or site inspection.

## **10.7 Minor Defects**

The City reserves the right to waive minor defects in the proposal in accordance with the City Charter.

## **10.8 Project Personnel**

If the selection of the proposer is based in part on the qualifications of specific key individuals named in the proposal, the City must approve in advance any changes in the key individuals or the percentage of time they spend on the project. The City reserves the right to have the contractor replace any project personnel.

## **10.9 Rejection of Proposals**

The City reserves the right to reject any or all proposals, to waive any minor defects in proposals received; to reject unapproved alternate proposal(s); and reserve the right to reject the proposal of any proposer who has previously failed to perform competently in any prior business relationship with the City. The rejection of any or all proposals shall not render the City liable for costs or damages.

## **10.10 Standing of Proposer**

Regardless of the merits of the proposal submitted, a proposer may not be recommended for funding if it has a history of contract non-compliance with the City or any other funding source, poor past or current contract performance with the City or any other funding source, or current disputed or disallowed costs with the City or any other funding source.

Contractors/Organizations that have been sanctioned because of noncompliance with Single Audit Act requirements for managing grant funds will be eligible to apply; however, they will not be eligible to receive any funding, if awarded under this RFP process, until this sanction is removed.

## **10.11 Proprietary Interests of the City**

All proposals submitted in response to this RFP will become the property of the City of Los Angeles and subject to the California Public Records Act (California Government Code Section 6250 et seq). Proposers must identify all trade secrets or other proprietary information that the Proposers claim are exempt from the Public Records Act. The City Attorney will make an independent determination regarding whether the identified information is disclosable. In the event a Proposer claims such an exemption, the Proposer is required to state in the proposal the following:

*“The Proposer will indemnify the City and its officers, employees and agents, and hold them harmless from any claim or liability and defend any action brought against them for their refusal to disclose trade secrets or other proprietary information to any person making a request therefore.”*

Failure to include such a statement will constitute a waiver of a Proposer’s right to exemption from this disclosure.

## **10.12 Discount Terms**

Proposers agree to offer the City any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discount to payments made under this agreement, which meet the discount terms.

## **10.13 Proposer's Responsibility**

Before submitting a proposal, each proposer shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the full performance of the contract. Ignorance of such conditions and requirements resulting from failure to make such investigations and examinations will not relieve the successful Proposer from any obligation to comply with every detail and with all provisions and requirements of the contract documents, and will not be accepted as a basis for any claim whatsoever for any monetary consideration on the part of the proposer.

Proposer is liable for all errors or omissions incurred by Proposer in preparing the proposal. Proposer will not be allowed to alter proposal documents after the due date for submission, except in certain situations as specified in this RFP.

## **10.14 Conflicts of Interest**

City Charter Section 371 and Los Angeles Administrative Code Section 10.15 provides that a bid shall be supported by a Non-Collusion Affidavit or declaration. Any bid or proposal made without such an affidavit, or in violation of, shall not be considered and may be excluded from future bidding. See **Appendix A, Section D**, for the Non-Collusion Affidavit and instructions. The affidavit or declaration of non-collusion must be submitted to the RFP Administrator by the proposal submission deadline.

## **10.15 Financial Stability and Strength**

The proposer/bidder must be able to demonstrate a good record of performance and have sufficient financial resources to ensure that the required services can be provided satisfactorily.

Any proposer/bidder that, at the time of proposal/bid submission, is involved in an ongoing bankruptcy as a debtor, or in a reorganization, liquidation, or dissolution proceeding, or has a trustee or receiver which has been appointed over all or a substantial portion of the property of the proposer under federal bankruptcy law or any state insolvency, may be declared non-responsive.

## **10.16 Execution of Agreement**

If a proposer is unable to execute an agreement within ninety (90) calendar days after being notified of selection, the City reserves the right to select the next most qualified proposer or call for new proposals, whichever the City deems most appropriate.

## **10.17 Incorporation of RFP/Proposal**

This RFP and the proposer's response, including all promises, warranties, commitments and representations made in the successful proposal, may become binding contractual obligations and may be incorporated by reference in any agreement between the City and the selected firm.

## **10.18 Acceptance of Gifts, Favors, Services**

Proposer shall not offer any gratuities, favors, or anything of value to any official, employee, or agent of the City, for the purpose of influencing consideration of this proposal.

## **11.0 General Terms and Conditions**

### **11.1 Governing Law**

All matters relating to the formation, validity, construction, interpretation, performance and enforcement of the RFP and the resultant agreement/contract, will comply with all applicable laws of the United States of America, the State of California and the City of Los Angeles. Any action to interpret or enforce the provisions of this RFP shall be filed in the Superior Court of the County of Los Angeles.

### **11.2 Public Inspection and Records**

All information related to this RFP and the resultant agreement/contract, including any and all exhibits and attachments, may be made available for public inspection in accordance with the Charter of the City and the California Public Records Act (California Government Code Section 6250 *et. seq.*).

### **11.3 Relationship to the City of Los Angeles**

It is the intent of the parties hereto that the successful proposer legally be considered as an independent contractor and that neither the Proposer nor the Proposer's employees and agents shall, under any circumstances, be considered employees or agents of the City.

### **11.4 Standard Provisions for City Contracts**

Any contract(s) awarded pursuant to this RFP, shall be subject to and incorporate the Standard Provisions for City Personal Services Contracts (Rev. 1/25 [v.2]) as incorporated into, **a copy of which is attached hereto and labeled as Appendix A, Section U.**

If the successful proposer(s) are unable to comply with the Standard Provisions for City Contracts during the contractual negotiations, the City reserves the right to suspend negotiations and open negotiations with the next ranked proposer(s).

### **11.5 City Contracting Requirements**

Compliance documents for the City Contracting Requirements must be submitted with the proposal **AND** via RAMPLA (as electronically accessible), as specified in Appendix A.

**Failure to comply with these requirements may render the proposal non-responsive.** Exemplars and/or explanatory material for each item are provided in Appendix A. For consistency of reference, all documents should be included in the order listed, and marked as an attachment with the corresponding letter designation utilized in the checklist provided.

## 11.6 Contract Execution Requirements

The selected Proposer(s) will be required to enter into a written contract with the City in a form approved by the City Attorney. A copy of this RFP with all attachments and the successful proposal(s) will remain on file and will constitute a part of the contract by reference. However, the City reserves the right to further negotiate the terms and conditions of the contract(s) with the selected contractor(s). The final contract offer of the City may contain additional terms or terms different from those set herein.

1. Insurance

Contractors are required to maintain insurance at a level determined by the City's Risk Manager, with the City named as an additional insured. Contractors who do not have the required insurance should include the cost of insurance in their proposal/bid. Awarded Contractor(s) will be required to provide insurance at the time of contract execution. Refer to Appendix A, Section N, Form Gen. 146 – Required Insurance Minimum Limits for this Agreement.

For those proposers/bidders wishing to bid on City projects but are experiencing difficulty obtaining the required bid, performance and payment bonds, the City of Los Angeles provides bonding assistance through the Los Angeles Bond Assistance Program (BAP LA). For more information regarding the BAP LA, please go to the City's Risk Management website at <http://cao.lacity.org/risk>.

2. Collaboration

The City may, at its discretion, require two (2) or more proposers to collaborate as a condition to contract execution.

3. California State Board of Equalization Permit

Proposer must enter the company's State of California Board of Equalization permit number on the proposal form. If the company does not have this permit, the Proposer must sign the proposal form declaring that the company has no California sales tax permit.

4. California State Board of Equalization Permit

Proposer must enter the company's State of California Board of Equalization permit number on the proposal form. If the company does not have this permit, the Proposer must sign the proposal form declaring that the company has no California sales tax permit.

5. California State Board of Equalization Permit

Proposer must enter the company's State of California Board of Equalization permit number on the proposal form. If the company does not have this permit, the Proposer must sign the proposal form declaring that the company has no California sales tax permit.

6. Financial Audit

Contractors providing services to the City will be responsible for the verification of the legitimacy of payments made to service providers and their subcontractors. The City therefore reserves the right for staff of its Office of the Controller or their designee to conduct audits of financial accountability procedures.

7. **Contract Evaluation Program**

When the term of the contract pursuant to this RFP has concluded, the City will conduct an evaluation of the Contractor's performance. The City may also conduct evaluations of the Contractor's performance during the term of the contract. As required by Article 13 of Chapter 1 of Division 10 of the Los Angeles Administrative Code, evaluations will be based on specified criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the Contractor assigns to the Contract. Contractor will be provided with a copy of the final City evaluation by request. The City will use the final City evaluation to evaluate future proposals and to conduct reference checks when awarding future service contracts.

## **12.0 Special Terms and Conditions**

### **12.1 Transition Service Requirements**

Prior to the expiration or termination of this Contract, Contractor, at the request of the City, shall provide all assistance as the City may reasonably require to transition the Contractor's contractual obligations, or any portion thereof, to any other supplier with whom the City contracts for provision of same. This Transition Period obligation may extend beyond expiration or termination of the Contract for a period of six (6) months. If this Contract includes Contractor's provision of licensed products, Contractor shall take no action to restrict or terminate the use of such licensed products to the City after the date of expiration or termination of the Contract or during any Transition Period, or both. The City shall pay for any additional maintenance or licensing fees during any Transition Period at the hourly rate or at a fee agreed upon by Contractor and the City. Contractor shall provide all reasonable transition assistance requested by the City to allow for the expired or terminated portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Services to the City.

## **13.0 Appendices and Attachments**

Appendices

Appendix A

Mandatory City Contracting Requirements