



OHIO DEFERRED COMPENSATION

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

OHIO DEFERRED COMPENSATION REQUEST FOR PROPOSALS (RFP) FOR ELECTRONIC DOCUMENT IMAGING (SCANNING) SERVICES

Issue Date: FEBRUARY 10, 2014

Pre-Proposal Vendors' Conference: March 3, 2014 at 1:00 p.m.
Ohio Deferred Compensation
257 E. Town St., Ste 400
Columbus, OH 43215-4623

Written Question Deadline: March 12, 2014

Proposal Deadline: April 4, 2014 at 4:00 p.m.
Ohio Deferred Compensation
Jim Heagen
257 E. Town St., Ste 400
Columbus, OH 43215-4623

RFP Contact: James E. Heagen
Assistant Director, Administration
Phone: (614) 466-7245
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Email: jheagen@OhioDC.org

Description: The Ohio Deferred Compensation Program is requesting proposals for the purpose of providing Electronic Document Imaging (Scanning) Services to image participant paper files.

A copy of this RFP can be obtained from the Ohio Deferred Compensation website at www.OhioDC.org. Until the expiration date of this solicitation, it is incumbent upon the Vendor to check the website for additional information and/or addendums. RFPs can also be obtained from Ohio Deferred Compensation, 257 E. Town St., Ste 400, Columbus, OH 43215-4623. If you have any questions, please call (614) 466-7245.

Written questions regarding the substance of the RFP or scope of services must be submitted via email to the contact listed above no later than the Written Question Deadline indicated above.

Sealed Proposals are due prior to the Proposal Deadline indicated above and must be delivered to Ohio Deferred Compensation, located at 257 E. Town St., Ste 400, Columbus, OH 43215. Late proposals will not be accepted – NO EXCEPTIONS.

Summary of Key Items Required for a Valid Proposal

- 1. Transmittal Letter affirming authorized representative.**
- 2. One original proposal, three hard copy proposals, and one electronic copy are due prior to the Proposal Deadline indicated above and must be delivered to Ohio Deferred Compensation, located at 257 East Town Street, Suite 400, Columbus, OH 43215. The electronic copy can be sent to jheagen@OhioDC.org.**
- 3. One separate sealed cost proposal delivered to the same address.**

Late proposals will not be accepted.

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I. CALENDAR OF EVENTS

The following is the time schedule for Ohio Deferred Compensation to search for Vendors to provide the requested services. All dates are subject to modification by Ohio Deferred Compensation.

2/10/2014	Advertisement and release of RFP
2/24/2014	Deadline for Submission of Letter of Intent
3/3/2014	Pre-Proposal Vendors' Conference at the Board office at 1:00 p.m. at 257 East Town Street, Suite 400, Columbus, OH 43215-4623
3/12/2014	Deadline for receipt of written questions regarding this RFP
3/19/2014	Responses to all written questions will be emailed to all vendors that submit a Letter of Intent
4/4/2014	Deadline for receipt of completed proposals
4/11/2014	Vendor selected
4/23/2014	Contract negotiations and draft contract complete
5/1/2014	Vendor may begin imaging project

Ohio Deferred Compensation reserves the right to amend the Calendar of Events as needed.

II. INTRODUCTION

The Ohio Public Employees Deferred Compensation Board (Board) is seeking proposals to provide Electronic Document Imaging (Scanning) Services to the Ohio Public Employees Deferred Compensation Program (Program), which administers a 457(b) plan for Ohio public employees. It is anticipated that the selected Vendor will begin the imaging project on or about May 1, 2014.

The Board operates through its Executive Director and staff, and references to the Board in the request for proposal (RFP) should generally be construed as such for day-to-day operations and reporting. The Board meets six times per year, in alternating months, plus an annual strategic planning meeting.

The Background section that follows provides a brief description of Program operations and generally describes the level of services that are provided. This description is not an exhaustive list of the services provided and the respondent should evaluate the services needed based on their knowledge and experience in servicing defined contribution plans in the public sector marketplace. Visit the Program's participant website at www.Ohio457.org to view general information about the Program

III. BACKGROUND AND GENERAL INFORMATION

The Program is an eligible deferred compensation plan and is administered in accordance with Section 457 of the Internal Revenue Code. The Program provides a supplemental retirement savings plan for public employees in Ohio who are covered by one of the State-authorized pension systems.

The Program is a separate legal entity and is not considered a component unit of the State of Ohio. All assets of the Program are held in trust for the exclusive benefit of participants and their beneficiaries. The Program's current *Comprehensive Annual Financial Report*, which includes statistical information regarding Program participation, is available at the Program's employer website www.OhioDC.org.

Currently, more than 1,800 different public employers throughout Ohio participate in the Program. Total Program assets exceed \$10 billion.

Participant Records Management

Prior to 2002, hard copies of all participant forms and correspondence were stored in a file folder and filed by the last four digits of the participant's Social Security number. One folder was created for each participant account and labeled with the participant's name and full 18-digit account number. The label contains the account number in both a readable form and encoded in a code 39 barcode. Since 2002, participant documents for new accounts have been scanned and stored on a shared network drive as a Portable Document Format (PDF) file. These files are created using the participant's account number as the file name. Any additional documents received for the imaged participants are appended to the participant's original PDF file.

Participant accounts that become inactive (fully withdrawn) are eventually purged by either destroying the file folder (for older accounts) or deleting the electronic PDF file (for accounts added beginning in 2002). Today, there are approximately 80,000 file folders and more than 158,000 PDF files. The goal of this RFP is to select a Vendor to convert the remaining 80,000 participant file folders to electronic PDF records. It is estimated that each file contains an average of 20 pages.

IV. GENERAL CONDITIONS

The Program makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information in the RFP and nothing contained herein is or shall be relied upon as a promise or representation, whether as to the past or the future. The RFP does not purport to contain all of the information that might be required to evaluate the RFP and any recipient hereof should conduct its own independent analysis of the Program and the data contained or referenced herein.

The Program reserves the right, at its sole discretion and without giving reasons or notice, at any time and in any respect, to alter these procedures, to change and alter any and all criteria, to terminate discussions, to accept or reject any response, in whole or in part, to negotiate modifications or revisions to a response, and to negotiate with any one or more respondents to the RFP. This RFP may be withdrawn, modified, or re-circulated at any time at the sole discretion of the Program.

The Program is not and will not be under any obligation to accept, review, or consider any responses to the RFP and is not and will not be under any obligation to accept the lowest offer submitted or any offer at all. The Program is not and will not be under any obligation to any recipient of, or any respondent to, the RFP except as expressly stated in any binding agreement ultimately entered into with one or more parties, either as part of this RFP process, or otherwise.

This RFP is not an offer but a request to receive a response. The Program will consider a response as an offer to develop an agreement based on the contents of the response. Vendors agree that the contents of their responses are valid for one year from the date of submission.

Amendments to RFP—The Program reserves the right to provide any additional information or responses to questions received prior to the deadline for submission of proposals. In the event it becomes necessary to amend any part of this RFP, the Program will provide copies of the amendment to all Vendors who submitted a Letter of Intent.

BID REQUIREMENTS

- All proposals become the property of the Program and will not be returned to the Vendor. All proposals submitted are subject to Ohio Public Records law, and the documents submitted pursuant to this RFP may be subject to a public records request. The Vendor must identify any material or documents that are confidential and clearly mark those items or documents at the time of submittal. If a request for records is made, the Program will make reasonable efforts to contact the Vendor in sufficient time to allow the Vendor to take appropriate legal steps to protect the confidential information from disclosure.
- Failure to adequately furnish information specifically required in this RFP could result in the disqualification of a proposal.
- Vendors must agree to honor the cost proposals for a period of six months from the date of submission.
- The Program will notify all unsuccessful Vendors regarding the Board's selection of a Vendor.

This RFP and Vendor responses submitted in the selected proposal will become part of the resulting contract and binding through the contract term, except as amended by mutual agreement.

V. CONTRACT REQUIREMENTS

This section states the minimum requirements of a contract to provide the services described in this RFP.

Miscellaneous Provisions:

Vendor taking exception to any provision below may be rejected as non-responsive. The following provisions shall be included in the contract between the parties:

- (1) It is expected that the contract term will be approximately six months.
- (2) The Program may terminate the contract if any significant or substantial change occurs in the ownership or control of the Vendor.
- (3) The parties to any contract or contract amendment shall be the Program and the Vendor. Any sub-contracted entity will not be party to this contract and will maintain their relationship directly with the Vendor.
- (4) The Vendor may not subcontract the furnishing of any significant work or services under the contract without the express written approval of the Program.
- (5) The Vendor shall notify the Program in writing of its intent to replace any key personnel whose responsibilities include significant work or services under the contract. The Program reserves the right to reject any proposed personnel changes that the Program, in its sole discretion, finds unsatisfactory.
- (6) If, during the contract term, the Vendor, or any subsidiary, principle owner (10% or more), affiliate, or sub-contractor is involved as plaintiff or defendant in any litigation that is related to your servicing of the Program, this fact shall be promptly disclosed to the Program.
- (7) The Vendor shall be authorized to do business in the State of Ohio prior to the contract initiation day. The Vendor shall comply with all applicable laws, including licensing requirements of the State and Federal government and with applicable accreditation and other standards of quality generally accepted in the field of the Vendor's activities.
- (8) The officers, employees, and agents of the Vendor will act in an independent capacity concerning the terms of the contract and will neither act nor be considered as employees of the Program or of any political subdivision thereof.
- (9) The Vendor also agrees that it will abide by Program policies and practices regarding the security of participant data and will immediately notify the Program of any breach of such data.
- (10) The Vendor shall agree that it will not use any information concerning individual Program participants, information collected under the contract or other Program data for any purpose other than to fulfill its duties under the contract.
- (11) If at any time during the existence of the contract the Vendor fails to observe or perform any term, condition, stipulation, agreement, provision, or obligation of the Vendor hereunder or becomes insolvent or if an application or petition in bankruptcy is filed by or

against the Vendor, the Vendor shall be in default of the contract without any demand, notice, or putting in default, as time is of essence to the Vendor's satisfactory observance and performance and any failure by the Vendor in this respect shall constitute an active breach of the contract.

- (12) The Vendor shall agree to hold harmless and indemnify the State of Ohio, the Board, the Program, the participants, the Board members, and its employees against all losses and liability and shall defend them against all claims and legal actions arising from the acts or omissions of the Vendor or any of its officers and employees in servicing the Program, insofar as such acts or omissions were not specifically directed by the Board nor were necessarily implicit therein.
- (13) The Vendor must subscribe to the Ohio Ethics laws regarding business conducted with a State Board.
- (14) The Program may terminate the agreement without cause by providing 60 days written notice to the Vendor.
- (15) Any provision of any contract arising hereunder is severable if that provision is in violation of the laws of the State of Ohio or the United States, or becomes inoperative due to changes in State or Federal law, or applicable State or Federal regulations.
- (16) Neither the benefits nor the burden of the contract will be assigned or delegated by the Vendor either in whole or in part or in any other manner without the written consent of the Program. Any assignment, pledge, subcontract, or hypothecation of right or responsibility to any person, firm, or corporation shall be fully explained and detailed in the proposal.
- (17) The contract shall be subject to and governed by the laws of the State of Ohio.
- (18) The Vendor agrees that the Vendor, subcontractor, and any person acting on behalf of Vendor or subcontractor will not discriminate, by reason of race, color, religion, gender, sexual orientation, age, handicap, national origin, or ancestry against any citizen of this State in the employment of any person qualified and available to perform the work under this Agreement. The Vendor further agrees that Vendor or subcontractor shall not, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under this Agreement on account of race, creed, color, religion, gender, sexual orientation, age, handicap, national origin, or ancestry.
- (19) Any exceptions, modifications, or additions to the contract requirements shall only be effective upon mutual written agreement signed by both parties.

VI. SCOPE OF SERVICES

The Program is seeking a Vendor to provide Document Imaging (Scanning) Services. The Scope of Service is expected to be completed within six months.

The Vendor will supply all labor, materials, tools, and equipment required to complete the project. The Vendor will prepare, scan, and convert to Portable Document Format (PDF) participant paper files that will then be stored electronically using a standardized naming convention. Participant files may contain regular size (8.5 x 11) paper, legal size (8.5 x 14) paper, and small size (various) paper documents. A small number of pages can be printed front and back. The Vendor shall not scan/save blank pages.

Document Scanning – Approximate Volume

- Number of Files – Approximately 80,000 files.
- Estimated number of pages in each file – 20 pages per file.
- Estimated total number of pages – 1.6 million pages.

Image Specifications

- Do not alter images in any way. All images are to be representative of the original document.
- Resolution shall be set at a minimum of 200 DPI (not extrapolated) for all images.
- Quality inspection of all images is to be done at the time of scanning to include a 100% page-vs-image scan.
- Output/export of approved images in PDF format on CD or DVD. Each file is to be scanned as a single document.
- Files are to be saved using a standardized naming convention that includes the eighteen-digit account number. The account number is available on the file folder encoded into a code 39 barcode.

Document Preparation – Documents are to be prepared by the Vendor. This includes:

- Removal of staples, clips, fasteners, or other binding materials, smooth dog ears, repair torn edges.
- Remove sticky notes and save on a separate sheet when instructed.
- Vendor shall not be responsible for purging or stripping files.
- Paper files will be returned to original state after imaging.

Document Handling and Work-site Requirements

- Confidentiality, Accuracy, and Security of files: It is critical that the Vendor understands the required security of the documents. These documents are irreplaceable and must be handled with care. These documents may contain sensitive personal information including participant Social Security numbers.
- Ohio DC will provide an on-site location where the entire project will be completed. **NO DOCUMENTS** will ever leave the premises.
- Vendor will work with the Ohio DC project manager to access participant files for scanning and to return the files when scanning is completed. A file inventory will be completed regularly (as determined by mutual agreement between Ohio DC and the Vendor) to assure all files/images are accounted for.

VII. TECHNICAL PROPOSAL

For purposes of responding to this RFP, the Vendor should assume an exclusive contract will be awarded. Please note that an exclusive contract award does not prohibit Vendors from offering services on a subcontracted basis, but such services must be fully disclosed in the Vendor's RFP response.

All proposals must restate each item in the Technical Proposal and record your company's response directly below the item. Responses should be provided in order and reference the corresponding item number. Please contact Jim Heagen at 614-466-7245 or jheagen@OhioDC.org, or visit our website at www.OhioDC.org to obtain an electronic version of this document to assist you in preparing your responses.

COMPANY INFORMATION

1. State the name and address of your company. Provide the name, title, address, telephone, and fax number of the contact person from your company who should be contacted with questions regarding your response. Give a brief history of your company. Provide this information for subcontractors as well.
2. Describe your hiring process. Do you conduct pre-employment background checks? What type of insurance/bonding coverage is carried on your employees? If any subcontractors will be used please provide the same information for them.
3. Does your company accept all the terms as outlined in the General conditions and Contract Requirements Sections?

If the answer is "NO," state any exceptions you have to the Contract Requirements and Contract Provisions. State the reason for the exception and the substitution offered.

4. Describe the organization of the firm and the range of services it provides, its underlying philosophy or mission statement as an imaging Vendor, and any organizational aspects that uniquely qualify the firm for this assignment.
5. Describe all of your firm's lines of business and the approximate contribution of each business to your organization's total revenue. If your firm is an affiliate or subsidiary of an organization, state what percentage of the parent firm's total revenue your affiliate or subsidiary generates.
6. Is your company a subsidiary or affiliate of another company? Give full disclosure of all direct or indirect ownership and type of relationship with affiliate companies, including the business nature of each.
7. Describe any significant developments in your organization within the last three years, such as changes in ownership, personnel reorganization, and staff departures.
8. Describe any near-term changes in your organization's basic ownership structure or any other significant changes in your organization that you anticipate.

9. Within the last three years, has your organization, an officer, or principal been involved in any business litigation or other legal proceedings relating to your services to be provided? If so, provide an explanation and indicate the current status or disposition.
10. In the last three years, has your company had a contract terminated by a client for cause? If so, by whom and under what circumstances? Provide the name and telephone number of each client that has terminated your company's services. Explain the circumstances for termination.
11. State whether your firm or an affiliate provides services that could be considered a conflict of interest.
12. Provide a current list of five (5) comparable clients, including name, contact, telephone number, and the product(s) or services the client uses. The Program may contact any of these clients as references.
13. Describe the typical client load for your firm. State how this would compare to the employees assigned to this project.
14. Describe the broadest range of services you provide to clients.
15. List the number of your firm's professional and support employees.
16. Please indicate whether your company maintains insurance coverage for data breaches. If it does, please indicate the general terms and amount of coverage provided. Detail the procedures you would take if a participant data breach occurred. What remedial actions would you take to address a data breach?

DOCUMENT IMAGING

Fully describe how your company intends to provide Document Imaging (Scanning) Services as described in the Scope of Services.

All of the following items must be addressed in your response.

17. Please provide a list of equipment your company will use for this project. Include the make and model number of the equipment.
18. Please describe the amount of floor space (square footage) you will require and any other requirements that will be needed to complete this project at the Ohio DC offices.
19. Please provide names and resumes of staff members that will be assigned to this project. Please discuss the qualifications of the Project Manager.
20. What is the name of the imaging/scanning product that you will use?
21. Describe your project plan including timeline. (i.e. Project Design through Project Completion)
22. Describe your quality control process. How do you ensure 100% page-vs-image scan. Describe any auditing procedures that you use.

23. Please provide a sample contract.

ALTERNATIVE PROPOSAL

The Vendor can submit one alternative proposal for scanning the participant files. If an alternative proposal is made, the Vendor must clearly differentiate the changes to the Scope of Services. Alternative proposals will not be considered if the proposal includes transporting participant files to an off-site location.

VIII. COST PROPOSAL

A cost proposal must be prepared and submitted with the Vendor service proposal under separate sealed cover.

Your cost proposal must include the total base fee (fixed cost) charged to the Program. The cost proposal should be detailed and complete in all respects and provide all the information the Program would need to calculate the fees that would be paid to the Vendor based on the variables contained within the proposed fee structure. If the Program decides to significantly change the level of service from those proposed, the cost proposal must provide a sufficient itemized breakdown so that the Program can determine the effect on the total proposed cost.

Compensation to the Vendor will be paid monthly in arrears.

1. Describe in detail your proposed fee arrangement for the services proposed including a definition of all elements that make up your proposed compensation arrangement.
2. Provide a base fee for the estimated 1.6 million images listed in the Scope of Services Section.
3. Provide a per image rate for all images in excess of 1.6 million.
4. Include in your cost proposal the type and amount of extraordinary one-time start-up costs your company will incur to begin the project.
5. Vendors may also propose an alternative fee structure as long as all of the elements of the alternative structure are well defined and transparent.
6. All Vendors are required to fully address all items in the cost proposal. Failure to fully complete the cost proposal might result in the cost proposal not being accepted.

VIII. EVALUATION CRITERIA AND SELECTION PROCESS

Any proposal that does not adhere to the RFP format as specified may be considered nonresponsive and not subject to further evaluation.

This section of the RFP briefly outlines the key criteria for the evaluation of proposals and determination of which Vendor is to be given further consideration. Other factors may be considered that are believed to be material for the final selection.

- (1) Quality of the Vendor's proposal as an indicator of its probability for success.
- (2) Experience and demonstrated success as indicated in its listing of current major clients.
- (3) Stability, experience, and professional reputation of the firm.
- (4) Independence from any activities that could result in a conflict of interest.
- (5) Professional qualifications and experience of principal employees who will work on this project.
- (6) Depth of knowledge, experience, and resources to provide services.
- (7) Vendor's qualifications, including established record of success with similar projects.
- (8) Commitment to fair and equitable employment practices.
- (9) The ability of the Vendor to utilize the latest technological advances to facilitate the fulfillment of desired services.
- (10) Vendors overall demonstrated ability to offer innovative solutions to key issues.
- (11) Consideration may be given to other factors based on the content of the proposals that may have a material impact on the quality and effectiveness of the services to be provided.
- (12) Significant consideration will be given to the proposed fee structure and estimated costs, but price will not be the sole determining factor.

IX. INSTRUCTIONS FOR SUBMITTING PROPOSALS

A. Letter of Intent:

Each interested Vendor should submit a Letter of Intent to propose. This letter must be received by the Board at the address set forth in Section G below, no later than February 24, 2014 in writing, by fax or email. Failure to submit the Letter of Intent may result in the Vendor not receiving responses to questions or amendments to the RFP. The letter shall indicate the Vendor's intent to propose, and a contact person's name, address, and telephone number. The Letter of Intent should also include a statement that the letter is being submitted by a person authorized to bind the proposer.

B. Pre-Proposal Vendors' Conference:

A Vendors' Conference will be held at the office of Ohio DC on March 3, 2014 at 1:00 p.m. EST. Attendance at the conference is not mandatory.

C. Questions Concerning the RFP:

Questions regarding this RFP must be submitted in writing by mail, email, or fax no later than March 12, 2014 and addressed to:

Jim Heagen
Assistant Director, Administration
Ohio Public Employees Deferred Compensation Program
257 East Town Street, Suite 400
Columbus, OH 43215-4623

EMAIL jheagen@OhioDC.org

FAX: 614-728-2601

Questions and answers from the Vendors' conference will be recorded, put in writing, and distributed to all companies who have returned a Letter of Intent, with all other written questions and answers by March 19, 2014. No verbal responses are to be relied upon.

D. Questions by the Board:

The Board may present a Vendor with written questions about its proposal. The response to the Board's question(s) shall also be submitted in writing and shall be incorporated as part of the proposal.

E. Transmittal Letter

The Vendor's proposal must be accompanied by a transmittal letter, signed by an individual authorized to bind the company and including the following statement: "The information presented in this proposal by **(Company Representative)** is correct to the best of our knowledge and belief as of the date submitted. The individual executing this document on behalf of **(Company Name)** is authorized to execute documents of this nature under the scope of his/her employment responsibilities."

F. Submission Format

A Vendor's proposal must be recorded on Standard 8.5" X 11" size white paper. The proposal must be accompanied by a Transmittal Letter on the company's official letterhead, and be signed by an authorized officer of the company.

Restate each statement or question in the Technical Proposal and record your company's response directly below the statement or question. An Alternative Proposal can be submitted with the Technical Proposal but should be clearly marked as such. **The Cost Proposal must be prepared and submitted under separate sealed cover.**

All costs of developing the proposals will be borne by the Vendors. The proposals and all related materials will become the property of the Program and will be subject to the Ohio Public Records Law.

The Program reserves the right to reject any proposal prior to or subsequent to its review of the separate sealed cost proposal. In the event that the Program rejects a proposal prior to review of the cost proposal, the sealed cost proposal will be returned to the Vendor.

G. Deadline for Submission of Proposal:

The original, three hard copies, and electronic copy of the complete proposal package must be received in the Board's office by April 4, 2014 at 4:00 p.m. to be considered. Proposals received after this date and time will be returned unopened.

Please send the original and three copies to:
RFP Coordinator
Ohio Public Employees Deferred Compensation Program
257 East Town Street, Suite 400
Columbus, OH 43215-4623

Please send the electronic copy to jheagen@OhioDC.org.

NOTE: Packages (envelopes) must be clearly marked "TECHNICAL PROPOSAL." Cost proposals must be separately sealed or in a separate electronic file, and clearly marked "COST PROPOSAL." It is the responsibility of the Vendor to insure that proposals arrive on or before the prescribed time. No fax responses will be accepted. **NO LATE PROPOSALS WILL BE ACCEPTED.**

The Board reserves the right to accept or reject any or all proposals if it deems that doing so is in the best interest of the Program.

Modifications to the proposal may be submitted prior to the date and time specified for receipt of responses. Copies of the modifications must be submitted as specified for the actual proposal above. Modifications must have "Modification - Company Name" marked in the lower left-hand corner of the envelope. No email or fax modifications will be accepted.