

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
PARALLEL VALUATION AND CERTIFICATION SERVICES
PROPOSAL EVALUATION PROCESS**

EVALUATION PROCESS

All Proposals received on or before the final filing date and time as specified in the Schedule of Events will be evaluated as outlined below. CalPERS may request clarifications from Proposers at any phase of the evaluation process for the purpose of clarifying ambiguities in the information presented in the Proposal. Section VIII, General Information, provides the detailed clarification process. CalPERS, in the exercise of its exclusive discretion, may permit the Proposer to correct any error, omission, deviation, or other defect (see Section VIII, General Information). Alternatively, CalPERS may waive such error, omission, deviation, or other defect. However, such waiver shall in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP requirements.

A. Preliminary Review

First, the Technical Proposal will be reviewed to determine completeness of required documentation and compliance with DVBE requirements, as prescribed in Sections V and VI. CalPERS staff will use the Required Attachments Certification Checklist, Attachment I, submitted by the Proposer to confirm receipt of all required documents. CalPERS may reject any or all Proposals that fail to meet these requirements.

B. Technical Proposal Evaluation

Upon satisfactory preliminary review, the Technical Proposal will be reviewed to determine Proposer's satisfaction of minimum qualification requirements. After CalPERS has ascertained the Proposer meets the minimum qualification requirements, the Technical Proposal will be evaluated by a team of CalPERS staff. The evaluation team may receive guidance and oversight from two members of the CalPERS Board of Administration Risk and Audit Committee. Each team member will independently evaluate the Proposers' Technical Proposal, using the Proposal Evaluation Sheet. A single score for each Technical Proposal will be reached by consensus of the evaluation team, with a maximum of 200 points.

Proposer's Technical Proposal score must meet or exceed 140 points for the Proposer to advance to the Fee Proposal Evaluation phase.

C. Fee Proposal Evaluation

Proposers that are continuing in the evaluation process will have their Fee Proposal opened. The Proposal with the lowest total fee for all seven Tasks will receive the maximum score of 300 points. All other Fee Proposals will be rated proportionately as follows:

$$\frac{\text{Lowest Fee Proposal}}{\text{Proposer's Fee Proposal}} \times 300 = \text{Proposer's Fee Proposal Score}$$

D. Finalists

Each Proposer's Technical Proposal Score will be combined with the Proposer's Fee Proposal Score, with a maximum of 500 total points. The CalPERS Board of Administration (or Board of Administration Risk and Audit Committee) will select the Finalists who shall appear before the CalPERS Board of Administration (or Board of Administration Risk and Audit Committee) for an oral interview.

One or more team members will conduct background and reference checks of each Finalist. This information will be rated as satisfactory or unsatisfactory as prescribed on the Proposal Evaluation Sheet, Exhibit 2.

E. Finalists Interviews

Each Finalist rated as satisfactory in all categories of the background and reference checks will be required to appear for an oral interview with the CalPERS Board of Administration (or Board of Administration Risk and Audit Committee) at a time and place to be announced. Finalists will be notified in advance of the specific date, time, and format for the interview. Please remember that if interviews are to be webcast, Finalists have signed the CalPERS Full Board of Administration Interview Form agreeing they will not watch any of the other Finalists' interviews. **A Proposer found in violation of this agreement may cause the proposal to be rejected.** The interview shall include participation by all key professionals who will exercise a significant administrative, policy, or consulting role under the contract and will be evaluated using a "trimmed average" scoring methodology as illustrated in the sample below.

Trimmed Average Scoring Methodology

The table below describes the interview scoring process, assuming for illustration purposes, that nine committee members (“raters”) are assigning scores.

Step	Action
1	Each rater scores the Proposers individually assigning a score using the following scale: 0 = Unacceptable 1 = Poor 2 = Fair 3 = Good 4 = Very Good 5 = Excellent
2	The scores from the individual rater score sheets are entered onto a combined rater score sheet.
3	The lowest score and the highest score for each Proposer are ignored.
4	The seven remaining scores are added together and then divided by seven to achieve the “trimmed average” score.
5	The trimmed average score is multiplied by the maximum number of points for the Interview (500) and divided by the highest score choice (5) for the Final Interview Score. (Trimmed Average Score x 500 / 5).

**Assuming Total Available Board Interview Points of 500
(Sample)**

	Proposer 1	Proposer 2	Proposer 3	Proposer 4
Rater 1	5	4	5	3
Rater 2	5	4	5	2
Rater 3	5	4	5	5
Rater 4	5	4	5	3
Rater 5	4	4	5	2
Rater 6	4	4	1	5
Rater 7	4	4	1	1
Rater 8	3	4	1	0
Rater 9	1	4	1	5
Trimmed Average Score	4.29	4.0	3.29	3.0
Final Interview Score	429	400	329	300

Each Proposer's Final Interview Score will be combined with the Technical and Fee Proposal Scores and any applicable Preference and/or Incentive points. Proposals will be ranked by their combined total score from highest to lowest.

F. Applicable Preference and/or Incentive Points

Preference and/or Incentive Points may be awarded to Proposers based on the applicable requirements and if all required documentation is submitted. The Preference and/or Incentive Points are in addition to the maximum available points, thus, it is possible for a Proposer's total Proposal score (including the applicable Preference and/or Incentive points) to exceed the maximum available points. However, the Preference and Incentive points may not be used to help a Proposer satisfy a minimum point requirement.

1. Small Business Preference

A five percent (5%) bid preference is available to certified Small Businesses or non-small businesses claiming California-certified small business / microbusiness subcontractor participation for at least twenty-five percent (25%) of its bid. If applicable, based on the preference requirements, a preference of five percent (5%) of the total overall points awarded to the highest scored non-small business proposer will be added to the responsive and responsible Proposer's score.

2. Target Area Contract Preference Act

If Proposer has submitted a completed a Target Area Contract Preference Act (TACPA) Request form (STD. 830) with its Proposal, and all requirements are met, a preference of five percent (5%) of the maximum points available for this RFP will be added to the responsive and responsible Proposer's score.

3. Disabled Veteran Business Enterprise (DVBE) Incentive

If Proposer has submitted information on or with Attachment G regarding the DVBE Program Incentive, the applicable DVBE Incentive points (based on the confirmed DVBE participation percentage as provided in the table below) will be added to the responsive and responsible Proposer's score. (See Exhibit 2, Proposal Evaluation Sheet.)

Final determination of a Proposer's DVBE participation and applicable incentive points shall be at the sole discretion of CalPERS.

<u>Confirmed DVBE Participation of:</u>	<u>DVBE Incentive (percentage of maximum points available)</u>	<u>DVBE Incentive Points (based on 1000 maximum points available)</u>
5% or Over	5%	50
4% to 4.99%	4%	40
3.01% to 3.99%	3%	30

G. Tie Breaker

In case of a tie for two (2) or more Proposers, final scores will be rounded to the nearest one-hundredth decimal.

H. Award of Contract

1. The Contract award, if any, will be made to the responsive and responsible Finalist having the highest total score, but it may be subject to final negotiations and satisfaction of all requirements. Should negotiations not be successful with the selected Finalist, CalPERS may, based on its exclusive discretion, negotiate with the Proposer having the next highest total score.

2. Notice of CalPERS intent to award to the selected Proposer will be posted in CalPERS Contracts Management Section and at www.calpers.ca.gov for five (5) State business days before the award of contract is made.