

MICHAEL FRERICHS
ILLINOIS STATE TREASURER

REQUEST FOR PROPOSALS

***Data Analytics Research
Consultant***

May 13, 2015

Responses due by 2 p.m. on June 5, 2015

The Honorable Michael Frerichs
Treasurer of the State of Illinois
Attn: Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

**REQUEST FOR PROPOSALS
Data Analytics Research Consultant**

TREASURER OF THE STATE OF ILLINOIS

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I. INTRODUCTION

The office of the Illinois State Treasurer (“Treasurer”) is issuing this Request for Proposals for a Data Analytics Research Consultant (“Consultant”) (“RFP”).

The Treasurer manages several programs that require outreach to and engagement of the general public. For example, the Treasurer is the administrator for various investment vehicles, such as the Illinois college savings programs known as Bright Start and Bright Direction (“College Savings”). Recent and pending legislation, such as Secure Choice, will require the Treasurer to provide additional savings vehicles to both general and specific demographic subgroups. The successful Respondent will assist the Treasurer’s staff in analyzing, identifying, and recommending target audiences for the Treasurer’s programs including, but not limited to, the College Savings and Secure Choice programs.

The Treasurer intends to target its outreach and marketing efforts more effectively to ensure that program information is reaching populations that are most likely to use program services.

The research study will provide a market segmentation study for various demographic groups, which will be identified by the Treasurer’s staff or in collaboration with the Respondent.

Respondent is to provide these services for an initial term of six (6) months. The Treasurer intends to execute a program management agreement for an initial term that is expected to commence on or about June 15, 2015 and run through December 15, 2015. Upon expiration of this relationship, the Treasurer may elect to extend this agreement for a period of time and terms agreed upon by the parties that are consistent with the Treasurer’s procurement regulations.

A. Project Overview

As the Treasurer takes steps to expand or implement various public savings programs and financial education initiatives, the Treasurer seeks to identify potential consumers of public savings vehicles and other Treasurer programs as well forecast changes in demographic trends that may impact the over-all utilization of Treasurer programs. Ultimately, the Treasurer seeks to gain a better understanding of potential account holders’ demographic profiles in order to make more informed decisions about:

1. Internal administrative structure and staffing,
2. Tailoring internal programs and outreach methods to specific demographic groups,
3. Directing external marketing efforts,
4. Formulating program specific messaging efforts.

It is expected that the Respondent will use a range of statistical and predictive analytical research and modeling to aid the Treasurer’s evidence-based planning and decision making.

II. RFP OBJECTIVES

The Treasurer's objectives in issuing this RFP are to:

- A. Establish a service agreement with a selected Respondent to serve as an external researcher and consultant to use its expertise to:
 - 1. Perform a segmentation study that will provide insights to guide programmatic strategy and other initiatives,
 - 2. Provide a quantitative study on the behavior of several specific demographic groups,
- B. By using data analytics tools the selected Respondent should be able to provide answers to questions such as, but not limited to:
 - 1. How do specific Illinois demographic groups - to be identified by the Treasurer's staff - use financial services: banking, checking, retirement, or college savings programs?
 - 2. Which financial institutions garner the most brand loyalty among the various demographic groups?
 - 3. Which demographic and sub-demographic group(s) has the highest unrealized savings potential?
 - 4. What is the income threshold that allows an individual or family to save money? What is the income threshold that allows an individual or family to save for college?
 - 5. What are the student loan participation and default rates for various groups in the State of Illinois?
 - 6. In order to expand the number of college savings accounts, what demographic group should the Treasurer's staff target it its college savings marketing? What is the market size and characteristics of that specific group?
 - 7. What type of direct messaging is most effective in communicating with a particular group about savings vehicles?
 - 8. Are multi-lingual messaging campaigns effective in contacting and or engaging these demographic groups?
 - 9. How do these demographic trends in Illinois compare to those in the Midwest and nationally?
- C. The selected Respondent will provide an exploratory data analysis (EDA), a confirmatory data analysis (CDA), and may lead to qualitative data analysis (QDA).
- D. The selected Respondent must be able to perform predictive analytical modeling on various variable classes as defined in conjunction with the Treasurer's staff.
- E. The selected Respondent will make recommendations to and work with Treasurer's staff to tailor outreach efforts for maximum impact.

III. RFP PROCESS AND SCHEDULE

This section outlines the process and schedule associated with this RFP and the resulting services agreement.

A. Response Due Date

All responses must be submitted to the address below no later than 2:00 p.m., June 5, 2015:

The Honorable Michael Frerichs, Treasurer of the State of Illinois
Attn: Mr. Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

B. Procedural Requirements

The Respondents must answer all the questions in this RFP.

1. Responses to this request should set forth the specific manner in which the Respondent will satisfy each requirement. In addition, the Respondent may include a supplementary narrative describing the general conceptual approach to the delivery of specific services and any other information they believe is relevant.
2. Respondent must submit the name, address and telephone number of an individual with authority to answer questions or clarify their responses.
3. Responses must be submitted in a sealed envelope or package bearing the title "State Treasurer Request for Proposals for Data Analytics Consultant" and the Respondent's name and address. The package must include one (1) original, four (4) hardcopies, and (3) electronic copies of the response. A separate envelope must contain one (1) original and four (4) copies of the pricing.
4. The Respondent and any sub-contractor(s) must submit a fully executed State Certifications Form, Appendix A.
5. The Respondent and any sub-contractor(s) must submit a fully executed Financial Interest and Potential Conflicts of Interest Disclosure Form, Appendix B.
6. The Respondent and any sub-contractor(s) must submit a fully executed Other Contract and Procurement Related Information Disclosure Form, Appendix C.

C. Schedule

The following tentative time schedule applies to this RFP:

Wednesday, May 13, 2015	RFP to be published on the Treasurer's website (www.illinoistreasurer.gov)
Monday, May 18, 2015	Notice of intent to attend the Bidder's Conference due by 4:00pm
Wednesday, May 20, 2015	Mandatory Bidder's Conference – 11:00 a.m. Illinois State Treasurer's Office 100 West Randolph Street, Room 15-600 Chicago, IL 60601
Friday, May 22, 2015	All questions due from Respondent by 12:00pm.
Tuesday, May 26, 2015	Treasurer's responses to all questions received from the Respondent's will be posted on the website by 4:00pm
Friday June 5, 2015	Responses to RFP due at 2:00 p.m. and must be mailed or delivered to the following address: Illinois State Treasurer's Office Attn: Jim Underwood Chief Procurement Officer 400 West Monroe Street, Suite 401 Springfield, IL 62704
Thursday June 11, 2015	Selection of finalist
Week of June 15, 2015	Contract negotiation begins
Week of June 22, 2015	Contract negotiation finalized; contract executed and commences

D. Intent to Attend Bidder's Conference

Each Respondent must email a notice of their intent to attend the Bidder's Conference to the attention of Jim Underwood, CPPB at junderwood@illinoistreasurer.gov prior to 4:00 p.m. on May 18, 2015. Attendance at conference is mandatory, but may be attended via teleconference. Teleconference information will be distributed to relevant Respondents in advance of the conference.

E. Office of the State Treasurer Issues RFP

The Treasurer is the sole point of contact concerning this RFP. Questions or requests for clarification about this RFP should be in writing and directed to:

Mr. Jim Underwood
Chief Procurement Officer
Office of the State Treasurer
400 West Monroe Street, Suite 401
Springfield, IL 62704
Telephone: (217) 782-1708
Fax: (217) 524-3822
E-Mail: junderwood@illinoistreasurer.gov

F. Questions about this RFP

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

G. Internet/E-mail Communications

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

H. Verbal Communications

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

I. Amendments

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

J. Respondent's Costs

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

K. Withdrawal/Modification

A Respondent may, by a letter to the contact person, withdraw or modify a submitted response to RFP prior to the response due date.

L. Response to RFP is an Offer

A submitted response to this RFP is a binding offer valid from the proposal opening date until 180 days thereafter.

M. Response to RFP is State Property

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

N. Chief Procurement Officer May Cancel RFP

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

1. Cancel this RFP;
2. Modify this RFP in writing as needed; or
3. Reject any or all responses received for this RFP.

O. Evaluation of Responses to RFP

An evaluation committee will review responses based on the following criteria:

1. Ability to provide the required services determined by general and specific experience in providing these services, a record of past performance of similar work and qualifications;
2. Pricing; and
3. References.

IV. RESPONSE FORMAT

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

A. Cover Letter

The response must be accompanied by a transmittal letter that designates the name, address and telephone number of the person or persons available for contact concerning the response and who are authorized to make representations on behalf of the Respondent's organization.

B. General Structure

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

C. Table of Contents

Include a listing of the main chapters and paragraph headings contained in the response, including page numbers.

D. Introduction

Include any introductory remarks deemed appropriate. Briefly discuss such topics as the Respondent’s background, management, facilities, staffing, related experience and financial stability.

E. Service Team

Provide an organization chart and resumes for the proposed service team, including analytical, research, and support staff. Please identify the primary contact person and describe the role of each key person.

F. Unique Capabilities

Provide a summary of any unique expertise, products or services that distinguish your institution.

V. EVALUATION PROCESS AND CRITERIA

A. Evaluation Factor Weighting Table

The following table shows the weighted evaluation factors to be used in reviewing each Respondent’s proposal. Each factor shown below is covered by the answers provided pursuant to Sections V, VI, VII and VIII of this RFP.

Evaluation Factor	Weight
Organization Matters	20
Qualifications	25
Past Experience	15
Diversity	5
Illinois Presence	5
Scope of Service	20
Cost	10
TOTAL	100

B. Evaluation Factors

1. Organization Matters

Scoring will be based on the thoroughness and clarity of the response, the breadth and depth of the similar engagements, the talent and experience of assigned personnel, and the perceived validity of the response.

2. Qualifications

Qualifications identify specialized and technical expertise and competence of the Respondent in providing market research services to companies or state agencies in the State of Illinois (financial services, including 529 plans). Also, identify project organization and staff assignments. Describe specialized and technical expertise and competence of key staff members. Resumes of key individuals that will handle this account and their experience should be included.

3. Past Experience

Provide client references for three (3) recent clients for whom you have provided similar services. Include client contact name, organization/company name, mailing address, telephone number, and email. When calling on references we will want to speak with someone familiar with the project; be sure contact names are current. Also, indicate the ability to have projects completed within the budgeted amounts.

4. Diversity and Illinois Presence

The evaluation will assess and score the Respondent's, and subcontractors if applicable, demonstrated commitment to diversity and presence in Illinois.

5. Scope of Service

A detailed work plan is to be presented that lists all tasks determined to be necessary to accomplish the work of the project. The work plan shall include, but not be limited to, the objectives and scope of works listed in the RFP. In addition, the work plan shall provide a technical solution and a timeline schedule depicting the sequence and duration of tasks showing how the work will be organized, executed, and completed.

VI. MANDATORY REQUIREMENTS

- A. Provide a narrative statement regarding your consulting service capabilities and experience as related to Part II and VII of this RFP. Include the following:
 - 1. A statement regarding your understanding of the requirements of the project and your ability to provide consulting services in accordance with same.
 - 2. A description of your firm's experience in providing similar consulting services to other clients, especially other governmental entities and/or similar public/private sector organizations. Include the same information for any subcontractor firms included in your proposal. Describe the business practices that enable you to complete these tasks in an efficient, timely, and, if necessary, expeditious manner.
 - 3. List all clients for which your firm has performed work similar to that described in Part II within the past three years.
- B. The senior professionals in charge of providing the services under the proposed agreement must have at least ten (10) years relevant experience in marketing research.
- C. The Respondent must agree to submit reports and other supporting materials as requested, in a timely manner.

VII. ADMINISTRATIVE REQUIREMENTS

The Respondent will be required to provide the following, general advisory services:

- A. Meet with Treasurer's staff to learn about various programmatic and marketing efforts in order to identify growth opportunities,
- B. Prepare a presentation to the Treasurer's staff that defines the consumer behaviors for selected groups of Illinois families,
- C. Be available to discuss any programmatic or marketing issues with Treasurer's staff on an as needed basis,
- D. Conduct feasibility study and provide recommendation for the implementation and success of multi-lingual programmatic and marketing efforts in the State of Illinois and nationally,
- E. Prepare presentations to Treasurer's staff on various general informational topics gleaned from research, as needed,
- F. Serve as a general resource to the Treasurer's staff for information, advice, and training regarding programmatic and marketing strategies for savings plans.

- G. Attend meetings with Treasurer’s staff as needed to present research, reports, and analyses, and to respond to questions.

VIII. ADDITIONAL REQUIRED INFORMATION

- A. Describe your experience conducting market-segmentation research using data analytics.
- B. Describe your firm’s experience preparing feasibility studies.
- C. Describe any significant changes in your firm’s organizational structure, ownership or management over the past three (3) years.
- D. Identify the types of accounts primarily managed by your firm.
- E. What existing or potential relationships could impact your firm’s ability to provide the services outlined in this RFP? What such relationships could create ethics violation or conflict of interest situations?
- F. Please note if the Respondent or any of its subcontractors or affiliates are female, minority, person with disabilities, or veteran-owned or managed. For purposes of this RFP, “female, minority, person with disabilities, or veteran owned or managed” shall mean being owned or managed by 51% or more of a combination of female, minority, person with disabilities, or veteran.
- G. Please describe what presence, if any, the Respondent has in the State of Illinois. Such “presence” can be demonstrated by the number of full-time employees, or employees who spend more than half their time in Illinois, and physical offices located in the State.

IX. CONTRACTUAL TERMS

You must specifically agree to each contractual provision set forth below:

A. Contractual Responsibility

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

B. Illinois Law

Any agreement made in connection with this RFP is governed in all respects by the laws of the State of Illinois.

C. Terms of Contract

The initial term of this contract will be six (6) months. The Treasurer may elect to extend the contract for additional periods, not to exceed a total term of ten (10) years (including the initial six (6) months).

D. Termination

1. Termination Without Cause:

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

2. Termination for Cause/Reduction of Fees:

Notwithstanding any foregoing language to the contrary, the Chief Procurement Officer may terminate the agreement with the approval of the Treasurer and subject to the determination of the Treasurer's General Counsel under any of the following circumstances:

- a. You fail to furnish satisfactory performance within the time specified.
- b. You fail to perform any of the provisions of this contract or so fail to make progress as to endanger the performance of this contract in accordance with its terms.
- c. Any services provided under the contract are rejected and are not promptly cured by you or repeatedly rejected even though you offer to cure services promptly.
- d. There is sufficient evidence to show that fraud, collusion, conspiracy, or other unlawful means were used to obtain the contract.
- e. You are guilty of misrepresentation in connection with another contract for services to the State and cannot be reasonably depended upon to fulfill your obligations under any of your contracts with the State.
- f. You are adjudged bankrupt or enter into a general assignment for the benefit of your creditors or receivership due to insolvency.
- g. You disregard laws and ordinances, rules, or instructions of the Treasurer or his agents, act in violation of any provision of the Agreement, or act in conflict of any statutory or constitutional provision of the State of Illinois or the United States.
- h. You commit any other breach of the contract to be entered into or commit other unlawful acts.

E. Review

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

F. Work Product

Except as otherwise agreed to in writing, all work product including, without limitation, documents, reports, data, information, and ideas specially produced, developed or designed by you under any agreement for the Treasurer, whether preliminary or final, will become and remain the property of the Treasurer, including any copyright or service marks you developed on behalf of the Treasurer. The Treasurer shall have the right to use all such work product without restriction or limitation and without further compensation to you.

G. State Certifications/Disclosures

The contract to be agreed upon pursuant to this RFP will incorporate your fully executed State Certifications and Disclosure Forms, a copy of which is attached hereto as Appendixes A, B, and C.

H. Internal Controls

The selected Respondent shall annually provide the Treasurer with a copy of the Annual Report or Form 10-K of its parent holding company, or any other documentation requested by the Treasurer's auditors.

I. Confidentiality and Security Requirements

The selected Respondent is prohibited from using or disclosing confidential information received while providing these services.

Confidential information includes all information except the following:

1. Information already known or independently developed by the selected Respondent;
2. Information required to be released by law;
3. Information in the public domain through no wrongful act of the selected Respondent; and
4. Information received by the selected Respondent from a third party who was free to disclose it.

J. Subcontracting

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

K. Right to Audit Books and Records

The Respondent and any subcontractor shall maintain, for a minimum of six (6) years after the termination of the contract, adequate books, records, and supporting documents related to the contract. These documents shall be available for review and audit by the Treasurer and the Illinois State Auditor General. The selected Respondent agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the Treasurer for the recovery of any funds paid by the Treasurer under the underlying agreement for which adequate books, records and supporting documentation are not available to support their purported disbursement.

L. Indemnification

The selected Respondent will indemnify, defend and hold the Treasurer, its officers, agents and employees harmless from and against any and all liabilities, demands, claims, lawsuits, losses, damages, causes of action, fines or judgments, including costs, attorneys' and witnesses' fees and expenses incident thereto, for all injuries, and for loss of, damage to, or destruction of property because of the Respondent's negligent or intentional acts of omissions in connection with this RFP and subsequent agreement.

M. Successor and Assignment

No rights or obligations under any agreement for the provision of services may be transferred or assigned without the Treasurer's prior written consent. Any attempt by Respondent (and subcontractor, if applicable) to transfer or assign any rights or obligations related to the provision of services without the consent of the Treasurer shall render the advisory relationship void.

The Treasurer may unilaterally bind any successor of the Respondent(s) to the terms and conditions of any agreement between the parties.

N. Compensation

The Respondent will be required to provide these services on a fee for service basis and may be compensated by State of Illinois warrant upon a review of account analysis statement. Payment via electronic funds transfer ("EFT") may be an option.

X. PRICING

1. Terms

Pricing schedules are to cover a six (6) month period.

2. Other Costs

It is anticipated all of the Respondent's costs to the Treasurer will be included in the pricing as outlined above, and consistent with the requirements outlined throughout this RFP.

APPENDIX

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