



OHIO DEFERRED COMPENSATION

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

OHIO DEFERRED COMPENSATION

REQUEST FOR PROPOSALS FOR

Business Continuity / Disaster Recovery Services

Issue Date: Friday, February 18, 2011

Written Question Deadline: Monday, March 7, 2011

Proposal Deadline: **Friday April 1, 2011 at 12:00 p.m. local time**
Ohio Deferred Compensation
RFP Coordinator Doug Lepper
257 E. Town St., Ste 400
Columbus, OH 43215-4623

RFP Contact: RFP Coordinator Doug Lepper
Title: IT Manager
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Description: The Ohio Deferred Compensation Program is requesting proposals for the purpose of providing business continuity and disaster recovery services. This is the second RFP that has been issued for these services. This RFP is requesting a solution proposal that focuses on a co-located redundant system solution.

A copy of this RFP can be obtained from the Ohio Deferred Compensation website at www.opedc.net. 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., Suite 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., Suite 400, Columbus, OH 43215. Late proposals will not be accepted – NO EXCEPTIONS.

TABLE OF CONTENTS

I.	CALENDAR OF EVENTS.....	3
II.	INTRODUCTION.....	4
III.	SUBMITTAL REQUIREMENTS.....	5
IV.	BACKGROUND.....	7
V.	SCOPE OF SERVICES.....	10
VI.	CONTRACT REQUIREMENTS.....	11
VII.	PROPOSAL SPECIFICATIONS.....	13
VIII.	SELECTION PROCESS AND EVALUATION CRITERIA.....	15
IX.	SERVICE PROPOSAL.....	16
X.	COST PROPOSAL.....	18

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.

02/18/2011	Release of RFP
02/28/2011	
03/07/2011	Deadline for receipt of written questions regarding this RFP
03/17/2011	Responses to all written questions will be emailed to all vendors who provided a letter of intent
04/01/2011 Noon (12:00 pm)	Deadline for receipt of completed proposals
04/15/2011	Vendor selected
05/06/2011	Contract negotiations and draft contract complete
09/01/2011	Implementation date

II. INTRODUCTION

The Ohio Public Employees Deferred Compensation Board (Board) is seeking proposals for the services, software and hardware required for an updated business continuity and disaster recovery strategy using co-located redundant system and data replication technologies to the Ohio Public Employees Deferred Compensation Program (Program). The new strategy must be implemented by September 1, 2011

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 Background section that follows provides a brief description of Program operations. Visit the Program's participant website at www.Ohio457.org to view general information about the Program.

III. SUBMITTAL REQUIREMENTS

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 (Vendor Representative) is correct to the best of our knowledge and belief as of the date submitted. The individual executing this document on behalf of (Vendor Name) is authorized to execute documents of this nature under the scope of his/her employment responsibilities."

Submission Format:

To be considered, one original and two copies of each proposal must be **EITHER**

1. Mailed - Sealed and submitted to the Board office address, and must be received by the published deadline. **OR**
2. E-mailed – Electronically signed (pdf) versions of their technical and cost proposals as attachments to a single e-mail, which must be received by the published deadline.

The proposal must be accompanied by a transmittal letter on the Vendor's official letterhead signed by at least one individual who is authorized to bind the Vendor contractually.

Technical and price proposal are to be sent together either in one package or as attachments to one email. Technical and price proposals must be provided as separate documents. There shall be no reference to the price of services in the technical proposal.

The Program will not be liable for any cost incurred in the preparation of a response and will not reimburse any respondents for their submission. Expenses related to the production of a response are the sole responsibility of the respondent.

Issuance of this RFP does not constitute a commitment by the Program to award a contract. The opening of a proposal does not constitute the Program's acceptance of the Vendor as a responsive and responsible Vendor. The Program reserves the right to reject any or all proposals received in response to this RFP, or to cancel this RFP if it is in the best interests of the Program. 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.

Deadline for Submission of Proposal:

The complete proposal package must be received in the Program's office by April 01, 2011 by 12:00 noon to be considered. The original and 2 copies of the complete proposal must be included unless sent via email. It is the Vendor's responsibility to insure that the Program receives its proposal prior to the deadline. This responsibility rests entirely with the Vendor, regardless of delays resulting from postal handling or for any other reasons. Proposals received after this date and time will be returned unopened. The Program's timestamp shall be the official time. Proposals will be accepted at any time during the normal course of business only, said hours being 8:00 a.m. to 4:00 p.m. local time, Monday through Friday, except for legal holidays.

Please email one copy or send the original and 3 copies to:

RFP Coordinator Doug Lepper
Ohio Public Employees Deferred Compensation Program
257 East Town Street, Suite 400
Columbus, OH 43215-4623
dlepper@OhioDC.org

NOTE: Email attachments or mailed packages (envelopes) must be clearly marked "VENDOR PROPOSAL". Cost proposals must be separately sealed and clearly marked "COST PROPOSAL".

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 - Vendor Name" marked in the lower left-hand corner of the envelope.

Submission of a proposal establishes a conclusive presumption that the Vendor is thoroughly familiar with the RFP, specifications, and contract requirements and the Vendor understands and agrees to abide by each and all of the stipulations and requirements contained therein.

Withdrawal:

Proposals may only be withdrawn by written notice prior to the Deadline date set for opening the proposals. No proposal may be withdrawn after the deadline submission.

Exceptions:

Vendors shall clearly identify any proposed deviations from the language contained herein. Each exception must be clearly defined and referenced to the proper paragraph in this RFP. The exception shall include, at a minimum, the Vendor's proposed substitute language and opinion as to why the suggested substitution will provide equivalent or better service and performance. If no exceptions are noted in the Vendor's proposal, the Program will assume complete conformance with this specification and the successful Vendor will be required to perform accordingly. Proposals not meeting all requirements may be rejected.

IV. BACKGROUND

The Program is an eligible deferred compensation plan and is administered in accordance with Section 457 of the Internal Revenue Code. A public employer deferred compensation plan is a voluntary fringe benefit that can be established by a state or a political subdivision of a state. The Program provides supplemental benefits, since nearly all public employees in Ohio are covered by one of the state authorized pension systems, and not by Social Security.

The employer and participating employees enter into contractual agreements whereby the employees agree to have part of currently earned income deferred until some future date. The deferred income is invested as directed by the employee. The deferred income and resulting earnings are not taxed until received by the employee - usually after retirement.

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.opedc.net.

Currently, over 1,800 different public employers throughout Ohio participate in the Program. Total Program assets exceed \$8 billion

Enrollment, education and customer service is provided by Nationwide Retirement Services (NRS). The Board has contracted for the period July 1, 2006 through June 30, 2014 with NRS to be the exclusive enrollment, education, and customer service provider for the Program. Currently, NRS employs 44 dedicated employees to Program activities, including 15 full-time licensed salaried field account executives, who are geographically located throughout Ohio. NRS has 20 licensed telephone representatives at the Service Center office, three administrative support employees, three retirement planning specialists, and three management employees.

As the exclusive enrollment agent for the Program, NRS representatives contact potential Program eligible employers to determine interest in the Program. Existing Program employers are contacted regularly to schedule presentations, provide written materials, and provide Program specific information to employer payroll officers.

As the Program's educator and enroller, NRS develops, writes, designs, prints and distributes all promotional and educational materials. NRS is also responsible for providing the participant transactional based automated telephone system and transactional website at www.Ohio457.org.

The Program is a unique organization, because NRS does not perform recordkeeping or select investment options. Participant information and activity is forwarded from NRS to the Program office, and daily recordkeeping is maintained in-house on the Program's computer systems. An explanation of the Program's hardware, software, network, and current business continuity strategy follows below.

HARDWARE AND SOFTWARE

- IBM System i5 520 with approximately 275 GB of data (recordkeeping server)
- Proprietary recordkeeping software
- Dell PowerEdge 1900, Windows Server 2003, and Exchange 2003 with approximately 100 GB (Domain, File, and Mail Server)
- Dell PowerEdge T610, Windows Server 2008 Enterprise with approximately 120 GB (SharePoint)
- Dell PowerEdge T610, Windows Server 2008 Enterprise with approximately 300 GB (Electronic Statement Generation)
- 26 Dell OptiPlex desktop PCs
- 2 HP 9050dn LaserJet Printers
- 1 HP 4015x LaserJet Printer
- 2 Canon DR-5020 High Speed Scanners
- 1 Canon DR-6080 High Speed Scanner

NETWORK

The internal network is Ethernet based, all wiring is Cat 6 attached to a Cisco switch. There are two external network connections, both T1 lines. One is a dedicated circuit between the Program office and Nationwide Retirement Solutions (NRS) data center. This is used for telnet and ftp between Program and NRS offices. The second is a dedicated T1 line between the Program office and the State of Ohio computer center. This is used for all internet access. Both circuits are protected by Cisco firewalls.

Current Business Continuity Strategy

Currently the IBM System I backup consists of a full backup including a full system save five days a week (Tuesday AM – Saturday AM). This backup is a two-step process. Step one is a backup to a save file and step two saves the save file to an Ultrium 2 LTO tape in an encrypted format. Step one of the backup begins at 1:00 AM and ends at approximately 4:00 AM. During this step, the system is not available. Step two begins immediately following step one and ends at approximately 10:30 AM. The system is available during this step. The overall window of availability for backup processing is 12:00 AM through 7:00 AM Monday – Friday and all day Saturday and Sunday.

The two PC servers are both fully backed up using Symantec Backup Exec running on the Dell PowerEdge 1900. This is an encrypted backup that is saved to a VS1 DLT tape. This backup begins at 12:00 AM and ends approximately 6:45 AM Tuesday – Saturday. The overall window of availability for backup processing is the same as the System i.

The Program has an arrangement with NRS for the use of office space to be made available as a recovery site in the event of an emergency. The office space is in the Nationwide NorthPointe Conference Center located at 9243 Columbus Pike, Lewis Center, Ohio 43035. The agreement is strictly for office space and does not include any computer hardware, network support,

recovery services, office equipment or other supplies. Any proposed solution can be based on the assumption that this space will be available.

V. SCOPE OF SERVICES

The Program is seeking a vendor to provide Business Continuity Services utilizing a high availability solution that will minimize downtime if a disruption in the Program's systems or infrastructure should occur. The proposed solution must meet the criteria listed below.

- Minimize the recovery time objective (RTO) and recovery point objective (RPO) timeline with a maximum of one hour for both
- Provide fault tolerance and ensure data integrity
- Provide capability to easily and seamlessly switch over to the backup system
- Include remote access from either the NorthPointe Conference Center or an alternate site provided by the vendor.
- All required hardware, software, and network facilities should be included in the proposal
- One (1) full-scale test within four (4) months of the completion of the installation
- Additional full-scale tests on an annual basis
- Must include unlimited 24/7 technical support by telephoneAny consulting services required for successful implementation

VI. CONTRACT REQUIREMENTS

This section states the minimum requirements of a contract to provide the services described in this RFP. The selected Vendor must remain capable of providing all services as described under SECTION IV SCOPE OF SERVICES and must maintain those capabilities until the contract is successfully finished. The successful Vendor will be responsible for all Services in this proposal whether they are provided or performed by the successful Vendor or subcontractor(s). Further, the Program will consider the successful Vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the cost of any contract. The successful Vendor must identify all Subcontractors and the services they provide. The successful Vendor is responsible for all payments and liabilities of all subcontractor(s).

Contract Term:

It is expected that the contract shall have an initial term of three years with a beginning date of September 1, 2011 and an ending date of August 31, 2014. The Program shall have the option to extend the contract for one three-year term.

Contract Revisions:

Revisions to the contract during the contract term or any extensions shall be by mutual agreement.

Miscellaneous Provisions:

Vendors 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) The Vendor may not subcontract the furnishing of any significant work or services under the contract except as disclosed in the proposal or without the express written approval of the Program.
- (2) 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 which is related to your servicing of the Program, this fact shall be promptly disclosed to the Program.
- (3) 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.
- (4) 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.
- (5) The Vendor agrees that it will abide by Program policies and practices regarding the security of participant data and will sign the Program's Code of Responsibility Form (attachment).

- (6) 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.
- (7) 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 thereof and any failure by the Vendor with respect thereto shall constitute an active breach of the contract.
- (8) 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.
- (9) The Vendor must subscribe to the Ohio Ethics laws regarding business conducted with a State Board.
- (10) The Program may terminate the agreement without cause by providing 30 days written notice to the Vendor.
- (11) 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.
- (12) 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, sub-contract, or hypothecation of right or responsibility to any person, firm or corporation shall be fully explained and detailed in the proposal.
- (13) The contract shall be subject to and governed by the laws of the State of Ohio.

VII. PROPOSAL SPECIFICATIONS

Amendments to RFP:

The Program reserves the right to issue amendments to this RFP or to provide any additional information or responses to questions received prior to the deadline for submission of proposals. It is the Vendor's responsibility to periodically check the Program's website until the posted Proposal Deadline to obtain any issued addenda.

RFP Requirements:

- (1) All proposals become the property of the Program and will not be returned to the Vendor. All proposals submitted are subject to the laws of the State of Ohio regarding public access to such documents and are, therefore, not confidential. **All Responses and the contents thereof will be deemed to be public record open to public inspection after the vendor has been selected and contract has been executed, if any; provided that all proprietary trade secret information, if clearly marked as such, will not be disclosed except as required by law.** A Vendor may include one additional copy of its Response with any proprietary trade secret information redacted and marked as such with a brief written basis why it believes the information is protected from disclosure.
- (2) Failure to adequately furnish information specifically required in this RFP may disqualify a proposal.
- (3) All Vendors are bound by the cost proposals for a period of 3 months.
- (4) 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 otherwise amended in the contract.
- (5) The selected Vendor will have fourteen days after written notice of selection to execute the necessary contract with the Program. Failure to execute the contract within this time may result in removal as the selected company.
- (6) The Program will notify all unsuccessful Vendors within 7 days following final selection.

Notice of Intent:

If the Vendor intends to respond to this RFP, a Notice of Intent to do so should be sent to the Program by **Monday February 28, 2011**. The Notice of Intent should be sent by e-mail to the RFP Contact listed on page one, and contain the Vendor's name, its intent to respond, the name of a contact person and the contact person's telephone number, e-mail, and fax number. Submitting this Notice of Intent will not obligate a Vendor to submit a response, but will allow the Program to send out any necessary information to interested Vendors.

Questions Concerning the RFP:

Questions regarding this RFP must be submitted in writing by mail, email or fax not later than **Monday March 7, 2011** and addressed to the RFP Contact.

Questions and answers will be put in writing and distributed to all companies who have returned a letter of intent by **Thursday March 17, 2011**. No verbal responses are to be relied upon.

Questions by the Staff

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

Terms and 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 may 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 does not anticipate updating or otherwise revising the RFP. However, this RFP may be withdrawn, modified, or re-circulated at any time at the sole discretion of the Program.

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.

The Program is not and will not be under any obligation to accept, review, or consider any response 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 upon the contents of the response. Respondents agree that the contents of their responses are valid for one year from the date of submission.

VIII. SELECTION PROCESS AND EVALUATION CRITERIA

Representatives of the Board and the Board office will screen the written proposals. The finalists may be invited to an oral interview. Each Vendor selected for a final interview should be prepared to fully discuss and substantiate any aspects of their proposal. The Program will select the Vendor that it believes will best meet the needs of the Program.

The Program reserves the right to withdraw the RFP, to award to one Vendor, to any combination of Vendors, by item, group of items, or total proposal. The Program may waive informalities if it is in the Program's interest. The Vendor to whom the award is made will be notified at the earliest possible date. Tentative acceptance of the proposal, intent to recommend award of a contract, and actual award of the contract will be provided by written notice sent to the Vendor at the address designated in the proposal. All proposals must be for a firm fixed price unless modified. If, for any reason, a contract is not executed with the selected Vendor within 14 days after notice of recommended award, then the Program may recommend the next most responsive and responsible Vendor.

The successful proposal will demonstrate a clear understanding of Business Continuity and Disaster Recovery, a well-reasoned strategy for success, and a proven capability to perform the required services with distinction. Evaluation of each Vendor will include, but not be limited to the following:

- (1) Quality of the Vendor's proposal as an indicator of its probability for success.
- (2) Understanding of the assignment.
- (3) Experience and demonstrated success as indicated in its listing of current major clients.
- (4) Stability, experience and professional reputation of the firm.
- (5) Independence from any activities which could result in a conflict of interest.
- (6) Professional qualifications and experience of principal employees who will work for the Board.
- (7) Depth of knowledge, experience, and resources to provide services.
- (8) Vendor's qualifications, including established record of success with similar projects.
- (9) Significant consideration will be given to the proposed fee structure and estimated costs, but price will not be the primary determining factor.

IX. SERVICE PROPOSAL

The service proposal must contain the following information. Responses should repeat the question and be answered in order. Please limit each response to no more than one-half page.

(1) FIRM AND PERSONNEL

- a. Give a brief history of your firm including the year the organization was founded.
- b. Describe the organization of the firm and the range of services it provides, its underlying philosophy or mission statement as a Disaster Recovery/Business Continuity Vendor, and any organizational aspects that uniquely qualify the firm for this assignment.
- c. 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.
- d. Describe the ownership structure of your organization; giving specific details with regard to your parent, any affiliated companies, or any joint ventures.
- e. Describe any significant developments in your organization within the last three years, such as changes in ownership, personnel reorganization and staff departures.
- f. Describe any near-term changes in your organization's basic ownership structure or any other significant changes in your organization which you anticipate.
- g. Within the last five years, has your organization or an officer or principal been involved in any business litigation or other legal proceedings relating to your business continuity, disaster recovery or consulting services? If so, provide an explanation and indicate the current status or disposition.
- h. State whether your firm or an affiliate provides services that could be considered a conflict of interest. State whether your firm accepts soft-dollars as a method of payment for services provided.
- i. Provide a current list of five (5) comparable clients, including name, contact, telephone number, asset values, number of years the client has retained your firm, and the product(s) or services the client uses. The Program may contact any of these clients as references.
- j. Describe the typical client load for your firm. State how this would compare to the employees assigned to the account.
- k. Describe the broadest range of services you provide to clients.
- l. Provide the resumes of all principals, other professionals and support employees expected to be assigned to this account. Include their length and type of experience in pension consulting/advising services, length of employment with current firm, and any specialty expertise they possess.

(2) SERVICES

The Vendor must describe the following for the proposed business continuity and disaster recovery solution:

- a) auditing, management, reporting, and related capabilities,
- b) security provisions,
- c) physical architecture and hardware requirements for Ohio DC
- d) network bandwidth requirements during normal daily activities between vendor and Ohio DC
- e) off-site hosting environment, including network connectivity capabilities and hardware architecture
- f) physical environment as it relates to security and sustainability
- g) proposed implementation plan including the responsible party for installation of any software
- h) training to be provided to Ohio DC operational staff
- i) documentation that will be provided after final configuration and testing is complete.

COST PROPOSAL

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

Your cost proposal must include total projected fees charged to the Program, in each of the 3 years of the anticipated contract, based on the projected service you have proposed. 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. Should the Program determine 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.

- (1) Describe in detail your proposed fee arrangement for the services proposed including a definition of all elements which make up your proposed compensation arrangement. Provide the variables you have used in developing your cost proposal such as assumptions regarding anticipated Program growth, telephone charges, travel expense, meetings required, etc.
- (2) Include in your cost proposal the type and amount of extraordinary one-time start-up costs your company will incur to transition service responsibility from the current Vendor and to commence your servicing of the Program.
- (3) Describe in your proposal the additional per year charges for the possible one 3-year extension to the contract.