

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM



Request for Proposal 2P200821

REAL ESTATE VALUATION CONSULTANT

Final File Date: June 16, 2009

CalSTRS Contract Services
Ronda Roeszler, Contract Administrator
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May 22, 2009

REQUEST FOR PROPOSAL
Notice to Prospective Proposers

May 22, 2009

You are invited to review and respond to the California State Teachers' Retirement System (CalSTRS), Request for Proposal (RFP), entitled Real Estate Valuation Consultant, RFP Number 2P200821. In submitting your proposal, you must comply with the instructions found herein.

The proposals must be received in the office of CalSTRS no later than June 16, 2009 by 3:00 p.m., Pacific Daylight Time (PDT). Proposals received after the specified date and time will be rejected.

Proposers requiring clarification of the intent and content of this RFP, or on the competitive proposal process, may request clarification only by submitting written questions to:

Ronda Roeszler, Contract Administrator
California State Teachers' Retirement System
7667 Folsom Blvd, MS 30
Sacramento, CA 95826
(916) 229-229-0910
FAX: (916) 229-3881
E-mail: contractservices@calstrs.com

To ensure a response, questions must be received by May 29, 2009, by 3:00 p.m., PDT. Questions received by this date will be answered in writing and sent to all RFP recipients, without identifying the source of the query.

Any attempt by a Proposer to initiate contact with any member of the Teachers' Retirement Board and/or CalSTRS' staff, other than the Contract Services staff, regarding this RFP process may disqualify the Proposer from further consideration.

Please note that no *verbal* information given will be binding upon the California State Teachers' Retirement System unless such information is issued in writing as an official addendum.

Jack Ehnes
Chief Executive Officer

Attachments

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A. INTRODUCTION

The California State Teachers' Retirement System (CalSTRS) manages an investment portfolio with approximately \$126 billion in total assets. As of December 31, 2008, the assets were invested as follows: \$42 billion in U.S. Equity; \$18 billion in Non-U.S. Equity; \$29 billion in Fixed Income; \$20 billion in Real Estate; \$17 billion in Private Equity, and (\$.4) billion in Liquidity. The Investment Management Plan adopted by the California State Teachers' Retirement Board (Board) provides an investment structure designed to provide diversification within each component of the portfolio.

CalSTRS seeks a firm to provide Valuation Consulting Services ("Valuation or Appraisal Consultant") for the CalSTRS Real Estate Unit. The Valuation Consultant's role/background may include but not be limited to:

- a. Providing on-going Valuation Consulting Services, including opinions on "best practices" for CalSTRS annual appraisal process, and interpretations of current financial reporting rules, definitions and requirements;
- b. Performing real estate valuations and managing the valuation process for CalSTRS Real Estate;
- c. Expertise in reporting procedures for Pension Funds so that operational and financial reporting issues are fully considered in the valuation process;
- d. Knowledge of industry best practices and the ability to evaluate or audit the internal valuation practices of CalSTRS third party Advisors or Partners;
- e. Providing services on a domestic or global basis;
- f. Expertise in valuing entity level interests or the general partner interest in commingled funds.

The anticipated term of the contract is three (3) years, with two (2) one (1) year options to extend at CalSTRS' sole discretion. For more information about CalSTRS, please refer to the internet web site address at www.calstrs.com.

B. BACKGROUND

CalSTRS has an in-house staff of seventeen (17) investment professionals fully dedicated to managing the Real Estate (RE) portfolio. The portfolio is divided into two (2) primary portfolios: Core and Tactical. The Core portfolio consists of domestic real estate assets with relatively low leverage. The Tactical portfolio includes domestic and international investments with a relatively higher risk and return goal. In both portfolios, assets are held in five (5) types of investment vehicles: 1) commingled funds, 2) joint ventures, 3) directly held assets, 4) public securities, and 5) operating companies. Within joint ventures, CalSTRS has 17 joint venture relationships and 40 joint venture investments.

Various independent fiduciaries assist staff in the screening, recommendation, and due diligence of individual investment opportunities. Accounting and return data for the program is accumulated and compiled by a third party contractor (currently State Street Bank – The PrivateEdge Group).

CalSTRS Real Estate investments are valued in accordance with guidelines established by National Council of Real Estate Investment Fiduciaries (NCREIF) and the most recent editions of the Real Estate Information Standards (REIS), or in accordance with the valuation policy as stated in the partnership agreement of commingled funds.

C. SCOPE OF WORK

Under the direction of the Board or designee and in accordance with CalSTRS' Investment Resolution, Exhibit A, and Fiduciary Standards, Exhibit B, the services to be provided by the firm shall include, but not be limited to, the following:

1. Providing on-going Valuation Consulting Services, including opinions and recommendations on "best practices" for CalSTRS appraisal process, and current financial reporting rules, definitions and requirements. Evaluate and audit the internal valuation practices of CalSTRS third party Advisors and/or Partners.
2. Provide suggestions and recommendations on CalSTRS reporting procedures so that operational and financial reporting issues are fully considered in the appraisal process.
3. Contractor may be requested to provide services on both a domestic and global basis.
4. Contractor may be requested to assist in valuing entity level interests or the general partner interest in commingled funds.
5. Performing real estate valuations and managing the valuation process for CalSTRS real estate portfolio.
6. Establish appraisal schedule for assets to be valued, based on final dates of completion as directed by CalSTRS Real Estate Investments personnel.
7. Third Party Appraiser Selection: Identify qualified Appraisal firms and obtain bids for services from at least three qualified appraisal firms per asset. Appraisal Firm recommendations will be based upon: geographic and/or property type specialization and competence; valuation software proficiency; report writing competency; MAI designation; minimum of five (5) years experience providing Appraisal reports for institutional investors. The type of appraisals to be completed for each asset shall be Self Contained Appraisal Reports. The Appraisal Manager may not select itself or an affiliate as a third-party appraiser. CalSTRS will have an opportunity to voice any concerns or conflicts of interest that may exist.
8. Engagement: Coordinate the processing of engagement letters and information flow of data between CalSTRS, CalSTRS' Real Estate Advisors, and the selected appraisal firms.
9. Appraisal Review: The Appraisal scope of services to be performed will be compliant with the requirements of Standard 3 of the Uniform Standards of Professional Appraisal Practice (the "Standards"). Among its requirements, Standard 3 dictates that an appraiser reviewing an appraisal must form opinions: (i) as to the completeness of the report under review in

light of the requirements of the Standards; (ii) as to the apparent adequacy and relevance of the data and the propriety of any adjustments to the data, (iii) as to the appropriateness of the appraisal methods and techniques used and develop the reasons for any disagreement; and (iv) as to whether the analyses, opinions, and conclusions in the report under review are appropriate and reasonable, and develop the reasons for any disagreement.

10. Reconciliation and Final Review: Serve as liaison during the review period. Review final appraisal reports to assure compliance with points raised during review process.
11. Appraisal Database: If requested by CalSTRS staff, assist in developing and implementing a standardized Excel worksheet with rollup capabilities.
12. Unspecified services: If requested by CalSTRS staff, provide valuation or consulting support either on a property or portfolio level.

D. MINIMUM QUALIFICATIONS FOR THE PROPOSER

A proposing firm must meet all of the following minimum qualifications to CalSTRS' satisfaction to be given further consideration. Failure to satisfy any of the minimum qualifications will result in the immediate rejection of the proposal.

1. As of June 16, 2009, the firm must have been in business for at least five (5) years.
2. As of June 16, 2009, the firm must have at least five (5) years of providing specific institutional quality commercial real estate valuation consulting services.
3. As of June 16, 2009, the firm must be in business exclusively as a commercial real estate valuation or valuation consulting firm, or be a subsidiary of a parent financial services company that provides a range of consulting/advisory services.
4. As of June 16, 2009, the firm must consult for institutional and/or large commercial clients, have a proven ability to consult on large (minimum of \$10 million) institutional quality commercial real estate assets, and have the capacity to manage the number and aggregate value of assets (assets to be appraised valued in aggregate between \$500 million and \$1 billion) required to be appraised by CalSTRS.
5. As of June 16, 2009, each of the firm's dedicated senior management team must have a minimum of five (5) years of commercial real estate valuation and/or valuation consulting experience for institutional and/or large commercial clients.

E. PROPOSAL REQUIREMENTS AND INFORMATION

1. Time Schedule

CalSTRS will use its best efforts to adhere to the time schedule. However, CalSTRS reserves the right to amend the time schedule, as it deems necessary.

<u>Event</u>	<u>Date</u>	<u>Time</u>
RFP Available to Prospective Proposers	May 22, 2009	To be determined
Written Question Submittal Deadline	May 29, 2009	3:00 p.m. PDT
Final Date for Proposal Submission	June 16, 2009	3:00 p.m. PDT
Prequalification Evaluation	June 17-19, 2009	
Technical Evaluation	Begins June 22, 2009	
Finalists Interviews	To be determined	
Notice of Intent to Award	To be determined	
Contract Award Date	To be determined	

2. Submission of Written Questions

Questions Proposers may have regarding the information presented in this RFP must be received by CalSTRS' Contract Office in writing via United States mail, e-mail at contractservices@calstrs.com, or facsimile transmission at (916) 229-3881, no later than May 29, 2009 at 3:00 p.m., PDT. To ensure questions have been received, please call Ronda Roeszler at (916) 229-0910. CalSTRS will answer all questions received by this date in writing without divulging the source of the query. Copies of all questions and CalSTRS' responses will be sent to all parties who requested the RFP and will also be available on the Internet at <https://www.cscr.dgs.ca.gov>.

3. Minimum Qualifications Certification

The Proposer must complete Attachment 2, Minimum Qualifications Certification, certifying that the Proposer satisfies all minimum qualifications and requirements. Failure to certify satisfaction may result in the immediate rejection of the proposal.

4. Proposal Requirements

To be eligible for evaluation, a proposal must adhere strictly to the format set forth below; failure to do so may result in rejection of the proposal. Proposers submitting a proposal must address each of the required sections indicated below. Attachments requiring a signature must be signed by the individual who is authorized to bind the Proposer contractually. Please label and separate each section to allow for ease of review by the team of reviewers. The content and sequence of the proposal will be as follows:

<u>Section</u>	<u>Title</u>
a	Cover Letter
b	Table of Contents
c	Fee Proposal

d Proposal Questionnaire
e Required Attachments

a. Cover Letter

Cover letter, which shall be a part of the proposal package, must be signed by the individual who is authorized to bind the Proposer contractually. An unsigned cover letter may cause the proposal to be rejected. The letter must also contain the following:

- 1) Name of the proposing firm.
- 2) Organizational structure of the firm (e.g., corporation, partnership, etc.).
- 3) The Proposer's Federal Employer Identification Number and Corporate Identification Number, if applicable.
- 4) Address, telephone number, and facsimile number.
- 5) Name, telephone number, and e-mail address of the firm's representative who is designated as primary liaison to CalSTRS.
- 6) Name, title, telephone number, and e-mail address of the representative who is authorized to bind the firm in contract.
- 7) A statement to the effect that the proposal is a firm and irrevocable offer good for one (1) year.
- 8) A statement expressing the Proposer's willingness to perform the services as described in this RFP.
- 9) A statement expressing the Proposer's availability of staff and other required resources for performing all services and providing all deliverables as described in this RFP.
- 10) Should proposing firm's proposal contain proprietary information, a statement to that effect must be included in the cover letter.

b. Table of Contents

Immediately following the cover letter, there must be a comprehensive Table of Contents of the material included in the proposal. The Table of Contents must clearly identify the proposal section/subsection and the applicable page numbers.

c. Fee Proposal

Proposers must submit their fee schedule in the format prescribed in Attachment 7, Fee Proposal. Any deviation from the prescribed format which, in the opinion of CalSTRS, is material may result in the rejection of the proposal. Proposers must provide their fees for all three (3) sections, however, only 1-A, Annual Flat Fee for Ongoing Valuations Consultant Services shall be used for scoring purposes.

d. Proposal Questionnaire

The Proposal Questionnaire, Attachment 3, is intended to provide CalSTRS with specific information concerning the firm's capability to provide services as described in this RFP. Please limit your response to this questionnaire to no more

than one (1) page per question, unless otherwise noted, and type each question in the same number order as in the questionnaire.

e. Required Attachments

Proposer shall include all documents identified in Required Attachments Check List, Attachment 1. Proposals not including the proper “required attachments” for each proposal may result in immediate rejection of the proposal.

5. Submission of Proposal

- a. Submit five (5) copies of your proposal in a sealed package. One (1) copy must contain original signatures, be labeled “Master Copy”, and placed in a loose-leaf, three-ringed binder, which displays the Proposer’s name on the outside front cover and the spine. (Do not submit the Master Copy with spiral binding.)
- b. All proposals must be delivered to the California State Teachers’ Retirement System by June 16, 2009, 3:00 p.m., PDT. Proposals received after this date and time will not be considered. Proposals must be delivered to the following address:

California State Teachers’ Retirement System
7667 Folsom Blvd., 3rd Floor – Rear Delivery
Sacramento, CA 95826-2614

- c. The sealed proposal envelopes must be plainly marked with the RFP number and title, your firm name and address, and must be marked with “DO NOT OPEN”, as shown in the following example:

RFP NUMBER 2P200821
REAL ESTATE VALUATION CONSULTANT
California State Teachers' Retirement System
Ronda Roeszler, Contract Administrator
7667 Folsom Blvd., MS 30
Sacramento, CA 95826
MAIL ROOM - DO NOT OPEN

- d. Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- e. A proposal may be rejected if it is conditional or incomplete, deemed non-responsive, or if it contains any alterations of form or other irregularities of any kind. CalSTRS may reject any or all proposals and may waive any immaterial deviation in a proposal. CalSTRS waiver of immaterial defect shall in no way modify the RFP document or excuse the Proposer from full compliance with all requirements if awarded the agreement.

- f. Costs for developing proposals and in anticipation of award of the agreement is entirely the responsibility of the Proposer and shall not be charged to CalSTRS.
- g. A Proposer may modify a proposal, after its submission, by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline date. Proposal modifications offered in any other manner, oral or written, will not be considered.
- h. A Proposer may withdraw its proposal by submitting a written withdrawal request to CalSTRS, signed by the Proposer or an agent authorized, through the contact person named in Section c, above. A Proposer may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.
- i. CalSTRS may modify the RFP prior to the date fixed for submission of proposals by issuing an addendum to all parties that received a proposal package.
- j. CalSTRS reserves the right to reject all proposals for reasonable cause. If the costs of all proposals are excessive, CalSTRS is not required to award an agreement.
- k. Proposers are cautioned to not rely on CalSTRS during the evaluation to discover and report to the Proposer any defects and errors in the submitted documents. Proposers, before submitting their documents, should carefully proof them for errors and adherence to the RFP requirements.
- l. Proposers may submit only one (1) proposal, per mandate. More than one (1) proposal from an individual, firm, partnership, corporation or association under the same or different names will not be considered. Reasonable grounds for believing that any Proposer has submitted more than one (1) proposal, for the work contemplated herein will cause the rejection of all proposals submitted by that Proposer. If there is reason for believing that collusion exists among the Proposers, none of the participants of such collusion will be considered in this or future procurements.
- m. A joint proposal, where two (2) or more entities submit one (1) proposal, may be submitted where each participating Proposer must sign the joint proposal. If a contract is awarded to joint Proposers, it shall be one indivisible contract.

If awarded a contract, each joint Proposer, will be jointly responsible for the performance of the entire contract. The joint Proposers must designate, in writing, one individual who will have the authority to represent them in all matters pertaining to the contract. CalSTRS assumes no responsibility or obligation for distribution of payment between the joint Proposers. CalSTRS will not make payments to either party for duplicative administrative fees, nor reimburse any costs associated with the bifurcation of the services to be provided.

6. Evaluation Process

- a) The proposal must be organized to correspond with all requirements and formats set forth in this RFP. The proposal should be clear, concise and must be complete. All information must be contained in the proposal. No assumptions will be made by CalSTRS regarding the intentions of the Proposer in submitting the proposal. Written proposals must be bound and organized in a manner to facilitate ease of review by evaluators. All sections will be used in the evaluation. Proposers not providing all requested information may be rejected.
- b) All proposals submitted will be evaluated for form and content in accordance with the provisions stated in the final solicitation document. Clarifications may be requested from the Proposer at any phase of the evaluation process for the purpose of clarifying ambiguities in the information presented in the proposal.
- c) Proposals and any subsequent presentations should be submitted with the most favorable terms the Proposer can offer. If CalSTRS is unable to execute an Agreement with the apparent successful competitor, CalSTRS reserves the right to award the Agreement to the next highest scoring responsive and responsible Proposer whose proposal conforms to the requirements of this solicitation document.
- d) The purpose of the proposal evaluation process is two-fold: (1) to assess the responses for compliance with the minimum qualifications, content and format requirements; and (2) to identify the Proposers that have the highest probability of satisfactorily performing the services as described herein. The evaluation process will be conducted in a comprehensive and impartial manner as set forth herein:

1) Prequalification Evaluation

- a. Each proposal package will be date and time stamped when received.
- b. Each proposal package will be inspected to ascertain that it is properly sealed and labeled. Proposals not passing this inspection may not be accepted.
- c. All proposals will remain sealed and in a secured area until opening, at which time all proposals will be opened together.
- d. All proposals will be reviewed to determine if they satisfy the minimum qualifications specified in Section D, Minimum Qualifications for the Proposer, and contain the required submittals specified in Section E, Subsection 4, Proposal Requirements.

2) Proposal Evaluation

Proposals that pass the prequalification evaluation review will undergo an evaluation process conducted by a team of reviewers selected by CalSTRS'

Chief Executive Officer or designee. Each team member will independently evaluate and score the proposals based on the categories enumerated in Exhibit C, Proposal Evaluation.

a. Proposal Questionnaire

The Proposal Questionnaire, Attachment 3, is intended to provide CalSTRS with specific information concerning the organization's capability to provide services as described in this RFP. Please limit your response to this questionnaire to essential information (no more than one (1) page per question unless otherwise noted); evaluators may reduce scores for inclusion of non-essential information. Type each question in the same number order as in this questionnaire. The Proposal Questionnaire has a maximum score of 400 points, as identified on the Proposal Evaluation, Exhibit C. Proposers must receive a minimum score of 280 points in the evaluation of their Proposal Questionnaire to be given further consideration.

b. DVBE Incentive

A DVBE incentive is included in this RFP. Ten (10) points will be awarded to those proposals that meet the DVBE 3% participation goal upon submission of proposal. The DVBE incentive will only be applied for responsive bids from responsible bidders proposing DVBE participation of 3%. Incentive points, if applicable, will be included in the sum of non-cost points. Incentive points cannot be used to achieve any applicable minimum point requirements. Further information regarding the DVBE Incentive is located in Section E, subsection 11, DVBE Program Requirement.

c. Fee Proposal

Proposers must submit their fee schedule in the format prescribed in Attachment 7, Fee Proposal. Any deviation from the prescribed format which, in the opinion of CalSTRS, is material may result in the rejection of the proposal. Proposers must provide their fees for all three (3) sections, 1-A Annual Flat Fee for Ongoing Valuation Consulting Services, 1-B Hourly Rate for Additional Consultation Services Over and Above 192 Hours Per Year, and 2. Fee for Providing Appraisal Oversight. However, only 1-A, Annual Flat Fee for Ongoing Valuations Consultant Services shall also be used for scoring purposes.

- (i) The proposal with the lowest Annual Flat Fee for Ongoing Valuation Consulting Services will receive 200 points.

Other proposals will be rated proportionally as follows:

$$\frac{\text{Lowest Annual Flat Fee} \times \text{Maximum Number of Points}}{\text{Proposer's Annual Flat Fee}} = \text{Proposer's Score}$$

3) Finalists Interviews

The highest scoring Proposers passing the proposal evaluation will be invited to interview with CalSTRS at Sacramento, California. At the discretion of CalSTRS, the interview may take place by teleconference or at the office of the Proposer. The interview will have a maximum rating of 240 points, as identified on the Finalist Interview Evaluation, Exhibit D. Interview points **will not** be added to the Proposal Points. The Proposer(s) scoring the highest on the finalist interview will be awarded a contract at CalSTRS' discretion.

7. Award and Protest

- a. If at anytime during or at the conclusion of this RFP process CalSTRS determines that, in its opinion, the results of this process are unsatisfactory, CalSTRS reserves the right to discontinue this process and decline to award a contract. If a contract award is made, the contract award will be made to the Proposer having the highest Finalist Interview score, but may be subject to final negotiations, and satisfaction of all requirements including the DVBE contract participation requirements for this RFP.
- b. All Proposers will be notified of the outcome of the RFP. Notice of the selected contractor will be posted in the California State Teachers' Retirement System's (CalSTRS) office on the second floor bulletin board and on CalSTRS' website at www.calstrs.com. News releases pertaining to the award resulting from this RFP shall not be made without prior written approval by CalSTRS Chief Executive Officer or his designee.
- c. Any Proposer may file a protest against the awarding of the contract. The protest must be filed during the five (5) business days specified in the Notice of Intent to Award. Within five (5) days after filing the protest, the protesting Proposer shall file with CalSTRS a full and complete written statement specifying facts, evidence to support factual allegations, laws, regulations, or procedures that provide grounds for the protest. Protests are limited to the following grounds:
 - 1) CalSTRS failed to substantially adhere to any specified procedures as set out in the RFP.
 - 2) CalSTRS failed to apply correctly the standards for reviewing the format requirements or failed to evaluate the proposals as specified in the RFP.
 - 3) CalSTRS failed to follow evaluation and rating methods as specified in the RFP.
 - 4) CalSTRS proposes to award a contract to other than the Proposer receiving the highest rating(s) and satisfactorily meeting all requirements of the final contract negotiations.

- 5) CalSTRS used a method other than that set out in the RFP to determine contract award.
- d. Protests shall be made in writing and delivered to:

Contract Services
California State Teachers' Retirement System
7667 Folsom Blvd, MS 30
Sacramento, CA 95826-2614

Once a protest has been filed, the contract may not be awarded until either the protest is withdrawn or CalSTRS has decided the matter. Following the receipt of a protest, the Chief Executive Officer of CalSTRS will either decide the matter or refer it to a committee appointed by the Teachers' Retirement Board for final resolution. The decision by the Chief Executive Officer or the committee of the Board shall be final. Notification of the decision will be sent to the protesting Proposer within thirty (30) days after a decision has been reached.

8. Disposition of Proposals

Proposals that contain proprietary information should have a statement to that effect included in the cover letter with a list of all so designated pages following the cover letter. (Please label "Proprietary Information" in the upper right hand corner of any pages so designated.) CalSTRS will use reasonable efforts to exempt such pages or items from public disclosure except to the extent provided in any resulting contract or the extent required by law. CalSTRS makes no representations or warranties that such efforts will be successful. Please note that the entire proposal cannot be considered proprietary. Proposal packages may be returned only at the Proposer's expense.

9. Standard Conditions of Service

- a. All performance under the agreement shall be completed on or before the termination date of the agreement.
- b. CalSTRS will provide a copy of its General Terms and Conditions after final contractor selection has been made.
- c. No oral understanding or agreement shall be binding on either party.

10. Darfur Contracting Act

Pursuant to the Darfur Contracting Act of 2008 (Act), "scrutinized companies" are ineligible to submit a proposal for a contract with a state agency. As such, the proposer must complete the *Darfur Contracting Act, Attachment 10*, either (1) substantiating that certification is not required or (2) certifying that the proposer is not a scrutinized company, as defined by the Act. Proposals submitted without a completed *Darfur Contracting Act, Attachment 10*, will be deemed ineligible.

11. Disabled Veteran Business Enterprise (DVBE) Program Requirement

All Proposers have the option to either: a.) commit to meet the DVBE contract participation goal or b.) meet the DVBE participation requirement upon submission of proposal. Each Proposer must choose an approach to participation in this program by submitting the appropriate form(s) as described below. Failure to do so could result in rejection of the proposal. Proposers choosing to meet the DVBE participation requirement upon submission of proposal (b. below) will receive ten (10) DVBE incentive points added to their score as identified on the Exhibit C, Proposal Evaluation, if the appropriate Attachments are submitted and demonstrate 3% DVBE participation. There will be no additional points awarded for selecting and submitting option a, below.

- a. Attachment 5, Statement of Commitment to Meet Disabled Veteran Business Enterprise Contract Participation Goal. The intended Contractor shall comply with the DVBE requirement before the contract will be issued.
- b. Attachment 8, Disabled Veteran Business Enterprise Incentive Information and Declaration Form, and Attachment 9, Disabled Veteran Business Enterprise Contract Participation Goal Program Requirement, indicating selection of Option A – Commitment to full DVBE participation at 3% must be submitted for a Proposer to receive the ten (10) DVBE incentive points.

12. Authorized/Key Personnel

- a. Attachment 6, Authorized/Key Personnel, names certain members (authorized/key individuals who perform scope services under this agreement) of Contractor's staff who will exercise a significant role under this Agreement. These personnel shall be hereafter referred to (both individually and collectively) as "Authorized/Key Personnel".
- b. Contractor shall not substitute, replace or reassign Authorized/Key Personnel without CalSTRS' prior approval. However, with CalSTRS' prior approval, the parties may agree in writing to a change in these Authorized/Key Personnel, which writing shall become a part of this Agreement.
- c. This Agreement may be terminated immediately, in CalSTRS' sole discretion and upon written notice from CalSTRS to Contractor, because of any change in or departure of Contractor's Authorized/Key Personnel.

13. Disclosure of Campaign Contributions, Charitable Contributions, and Gifts; Ban on Specified Charitable Contributions and Gifts

- a. Policy

Section 600 H of the Teachers Retirement Board Policy Manual set forth policies requiring entities engaging in business with CalSTRS to disclose campaign contributions in excess of \$250, prohibits providing charitable contributions in excess of \$250, and gifts in excess of \$390, as well as requiring the periodic

disclosure of campaign contributions, charitable contributions, and gifts. A copy of the current policy is attached as Exhibit E.

b. Application of Policy to Contractor

This policy applies to all Contractors having a business relationship or seeking a business relationship with CalSTRS or to any business relationship that is considered by the Teachers Retirement Board in a closed session meeting.

c. Disclosure of Campaign Contributions

Contractor and each of its Authorized/Key Personnel shall disclose campaign contributions, as defined by the Political Reform Act, valued in excess of \$250, made to or on behalf of any existing Teachers Retirement Board member, candidates for Board member, Controller, Treasurer, and Superintendent of Public Instruction, and to any CalSTRS officer or employee. If the business with CalSTRS is an Investment Relationship generating at least \$100,000 annual income, disclosure of campaign contributions made to the Governor or to a candidate for the governorship must also be made, according to CalSTRS' campaign contribution regulations in Title 5, California Code of Regulations section 24010.

d. Charitable Contributions

1) Limit on Charitable Contributions

Contractor and each of its Authorized/Key Personnel shall not provide any charitable contribution, as defined by the Political Reform Act, in excess of \$250, individually or in the aggregate in any calendar year, directly to or at the request of any Teachers Retirement Board member, or CalSTRS officer or employee.

2) Disclosure of Charitable Contributions

Contractor and each of its Authorized/Key Personnel shall disclose charitable contribution, as defined by the Political Reform Act, valued in excess of \$50, made to or at the request of any Teachers Retirement Board member, or CalSTRS officer or employee.

e. Gifts

1) Limit on Gifts

Contractor and each of its Authorized/Key Personnel shall not provide any gifts, as defined by the Political Reform Act, in excess of \$390, individually or in the aggregate in any calendar year, to any Teachers Retirement Board member, or CalSTRS officer or employee.

2) Disclosure of Gifts

Contractor and each of its Authorized/Key Personnel shall disclose gifts, as defined by the Political Reform Act, valued in excess of \$50, made to or at the request of any Teachers Retirement Board member, or CalSTRS officer or employee.

f. Submission of Disclosures

Contractor and each of its Authorized/Key Personnel shall, with the submission of an initial application or proposal to do business with CalSTRS, and then with the offering of a contract for execution, submit disclosures of contributions and gifts described in this section on a form prescribed by CalSTRS. The current disclosure form required to be submitted with the submission of an application or proposal is attached as Exhibit H. After execution of a contract, Contractor must submit annual disclosures as specified in the contract.

g. Violation of Policy by Contractor

Violations of any of the provisions of this section may, at the discretion of CalSTRS, subject the Contractor to disqualification from doing future or additional business with CalSTRS for a period of two (2) years.

14. Addenda: Errors and Omissions

CalSTRS may modify any part of the RFP in writing by issuance of an addendum. Addenda issued prior to the final filing date for submission of proposals will be sent to all parties who were sent the RFP and also available on the Internet at <https://www.cscr.dgs.ca.gov>. Addenda issued after the final filing date will be sent to all responding Proposers as appropriate.

If a Proposer discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP, the Proposer shall immediately notify the CalSTRS Contract Office of such error in writing and request clarification or modification of the document. Such notice shall be given prior to the final filing date for submission of proposals. Modifications of the RFP by CalSTRS shall be made by addenda. Clarifications by CalSTRS shall be issued by written notice to all parties who were sent the RFP. If, prior to the final filing date for submission, a Proposer fails to notify CalSTRS of a known error, or an error that reasonably should have been known, the Proposer shall not be entitled to additional compensation or time by reason of the error or its late correction.

The provisions of any written amendment hereto or clarification hereof issued by CalSTRS pursuant to this section shall be incorporated by reference and made a part of the contract awarded as a result of this RFP.

15. Background Investigations

Selected Contractor(s) must demonstrate compliance with CalSTRS' Contractor Background Investigation Policy (Exhibit F) for all contract employees that will provide services to CalSTRS under the resulting contract.

F. PREFERENCE PROGRAMS

Proposers who may have questions regarding the following bid preferences may contact the Office of Small Business and DVBE Certification at (916) 375-4940, for Small Business preference, DVBE incentive and the TACPA/EZA/LAMBRA Preference Program Group at (916) 375-4609.

1. Small Business Preference – <http://www.pd.dgs.ca.gov/smbus/sbpref.htm>
2. Disabled Veteran Business Enterprise Incentive –
<http://www.pd.dgs.ca.gov/dvbe/dvbeincentive.htm>
3. Target Area Contract Preference Act (TACPA) – <http://www.pd.dgs.ca.gov/edip/tacpa.htm>
4. Enterprise Zone Act (EZA) – <http://www.pd.dgs.ca.gov/edip/eza.htm>
5. Local Agency Military Base Recovery Area (LAMBRA) Act –
<http://www.pd.dgs.ca.gov/edip/lambra.htm>

ATTACHMENT 1

REQUIRED ATTACHMENTS CHECK LIST

Proposer Firm Name

A complete proposal package will consist of the items identified below.

For each proposal submitted, please complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to CalSTRS. For your proposal to be responsive, all required attachments and exhibits must be returned, including this checklist. Submit five (5) copies of your proposal in a sealed package. One (1) copy, the Master, must contain the original signatures of the individual who is authorized to bind the Proposer contractually.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachments Check List
_____ Attachment 2	Minimum Qualifications Certification
_____ Attachment 3	Proposal Questionnaire Appendix A - Biographies
_____ Attachment 4	Warranties Certification
_____ Attachment 5	Statement of Commitment to Meet Disabled Veteran Business Enterprise Contract Participation Goal (or submit Attachment 8 & 9)
_____ Attachment 6	Authorized/Key Personnel
_____ Attachment 7	Fee Proposal
_____ Attachment 8 and	Disabled Veteran Business Enterprise Incentive Information and Declaration Form (or submit Attachment 5)
_____ Attachment 9	California State Teachers' Retirement System Disabled Veteran Business Enterprise Program Requirements (or submit Attachment 5)
_____ Attachment 10	Darfur Contracting Act
_____ Exhibit G	Disclosure of Contributions and Gifts

If applicable:

- _____ Target Area Contract Preference Act (TACPA)
<http://www.documents.dgs.ca.gov/osp/pdf/std830.pdf>
- _____ Enterprise Zone Act (EZA)
<http://www.documents.dgs.ca.gov/osp/pdf/std831.pdf>
- _____ Local Agency Military Base Recovery Area (LAMBRA) Act
<http://www.documents.dgs.ca.gov/osp/pdf/std832.pdf>

ATTACHMENT 2

MINIMUM QUALIFICATIONS CERTIFICATION

Proposer Firm Name

The Proposer must substantiate that the firm satisfies each of the minimum qualifications, to CalSTRS' satisfaction, to be given further consideration for a contract award. The statement must contain sufficient information as prescribed to assure CalSTRS of its accuracy. Failure to provide complete information, based on CalSTRS' sole judgment, will result in the immediate rejection of the proposal.

- | | | |
|----|--|----------|
| 1. | As of June 16, 2009, the firm has been in business for ____ (number) years. | Yes / No |
| 2. | As of June 16, 2009, the firm has ____ (number) years of providing specific institutional quality commercial real estate valuation consulting services. | Yes / No |
| 3. | As of June 16, 2009, the firm is in business exclusively as a commercial real estate valuation or valuation consulting firm, or is a subsidiary of a parent financial services company that provides a range of consulting/advisory services. | Yes / No |
| 4. | As of June 16, 2009, the firm consults for institutional and/or large commercial clients, has a proven ability to consult on large (minimum of \$10 million) institutional quality real estate assets, and has the capacity to manage number and aggregate value of assets (assets to be appraised valued in aggregate between \$500 million and \$1 billion) required to be appraised by CalSTRS. | Yes / No |
| 5. | As of June 16, 2009, each of the firm's dedicated senior management team has ____ (number) years of commercial real estate valuation and/or valuation consulting experience for institutional and/or large commercial clients. | Yes / No |

Proposer's Authorized Signature

Printed Name

Title

Date

ATTACHMENT 3

PROPOSAL QUESTIONNAIRE

This questionnaire is intended to provide CalSTRS with specific information concerning the firm's capability to provide services as described in this RFP. Please limit your response to this questionnaire to no more than one (1) page per question, unless otherwise noted, and type each response in the same number order as in this questionnaire.

FIRM NAME: _____

MAIN ADDRESS: _____

CONTACT NAME: _____

Contact Title: _____

Contact Address: _____

Contact Phone: _____

Contact Fax: _____

Contact E-Mail: _____

OTHER OFFICE LOCATIONS: _____

City, State

Function

FIDUCIARY CLASSIFICATION:

- ☐ Bank
- ☐ Appraisal Company
- ☐ Valuation / Appraisal Consultant
- ☐ Registered Investment Advisor (Inv. Advisors Act of 1940)
- ☐ Affiliate of Fiduciary
 - Name: _____
 - Classification: _____
- ☐ Other

This portion of the questionnaire is intended to provide CalSTRS with specific information concerning your capability to provide Valuation Consulting services as described in the RFP. Please limit your response to this questionnaire to no more than 1 page per question. Please type each response in the same number order as in this questionnaire.

A. ORGANIZATION & CONSULTING PROFESSIONALS

1. Please give a brief history of your firm, including the year the firm was founded. Specify the number of years your organization has been providing valuation consulting for institutional owners of commercial real estate.

Year Founded	
Total Value of all commercial real estate assets appraised (\$bil) between 2004 to 2009	
Number of institutional clients your firm has provided valuation consulting services for between 2004 to 2009	
Number of years providing commercial real estate valuations (appraisals) and/or valuation consulting services for institutional owners of commercial real estate	
Number of MAI certified real estate appraisers in firm	
Total number of real estate appraisers in firm	
Percentage of firm owned by employees	
Office Locations	
Office Locations of Professionals involved in commercial real estate appraisals and/or valuation consulting	
Parent Company (or equivalent)	

2. Describe the reporting structure of this project within the firm. Describe the ownership structure (Sub-chapter S Corporation, LLP, public, etc.) of your firm and provide an organizational chart showing functions, positions, and titles of your organization. Chart should identify relative positions within the organization of those involved in appraisals and/or valuation consulting services. Identify affiliated or subsidiary organization(s).
3. Do consulting professionals participate in equity ownership? If equity ownership is not available, is there a specific arrangement for sharing in the profits earned by the enterprise? Please briefly describe.

4. Within the past three (3) years, have there been any significant developments in your organization (changes in ownership, personnel reorganization, new business ventures, etc.)? If so, please describe. Do you expect any changes in the near future?
5. Explain any legal judgments associated with the firm within the last five (5) years. Specify whether the firm is involved in any pending litigation or investigations. (May use more than one page for this response).
6. Using table format, list the professional(s) directly involved with the implementation of the proposed valuation consulting relationship. Provide a brief summary on each consulting professional and explain their role and responsibilities. Also, designate who will act as Relationship Manager for CalSTRS. The following information must be provided for each proposed professional:
 - a. Name
 - b. Title
 - c. Responsibilities
 - d. Years of Valuation Consulting Experience for institutional owners of commercial real estate
 - e. Years of commercial Real Estate Valuation Experience
 - f. Total Years Experience
 - g. Degree Designation
 - h. Other Relevant Information
7. What percentage of the firm's resources is dedicated specifically to commercial real estate valuations (appraisals) and / or real estate valuation consulting services for institutional owners of commercial real estate?
8. What commitment does the firm have to maintain or grow its presence in the specific real estate valuation arena?
9. Disclose the number of valuation or valuation consulting professional(s) affiliated with the firm that have 1) been hired; and 2) left the firm, within the last 3 years. Include their name, title, office location, years with the firm, and responsibilities.
10. In your response, please create an Appendix A with the detailed biographical data on all individuals who will represent the firm and be assigned to the CalSTRS account.

B. VALUATION CONSULTING PHILOSOPHY & PROCESS

1. Describe in detail your firm's real estate valuation philosophy. Do you specialize in a geographical area or property types?
2. Describe what research is issued, used, and how it is incorporated into consulting activities.
3. Describe the information sources used in your valuation research process.

4. What is the firm's single most important characteristic, skill, or resource that has and is expected to add value for the proposed consulting assignment? Identify any significant challenges to implement the consulting assignment.

C. CLIENT BASE AND SERVICES

Using the table format below, please complete this section identifying the institutional and private client base for which the firm provides real estate valuation consulting services. If your firm has more than one consulting business line, please include additional business lines, as appropriate.

Client	Aggregate Value of Properties Appraised	Nature of Engagement	Start Date	Lead Consultant

D. EXPERIENCE

1. Describe your experience acting in the capacity of a valuation consultant for externally (third-party appraised) institutional quality, commercial real estate portfolios.
2. Describe your third-party appraiser selection process.
3. What is the firm's single most important characteristic, skill, or resource that has and is expected to add value for the proposed consulting assignment? Identify any significant challenges to implement the consulting assignment.
4. Describe your experience in valuing / appraising institutional quality commercial office properties. What are some of the unique characteristics and challenges in this area?
5. Describe your experience in valuing / appraising institutional quality multi-family properties. What are some of the unique characteristics and challenges in this area?
6. Describe your experience in valuing / appraising institutional quality industrial properties. What are some of the unique characteristics and challenges in this area?

7. Describe your experience in valuing / appraising institutional quality retail properties. What are some of the unique characteristics and challenges in this area?
8. Describe your experience in valuing / appraising institutional quality hotel properties. What are some of the unique characteristics and challenges in this area?

ATTACHMENT 4

WARRANTIES CERTIFICATION

The signature affixed hereon and dated certifies that the Proposer agrees to the incorporation of the following warranties in any contract awarded pursuant to this RFP:

1. Contractor warrants that it is willing and able to comply with California laws with respect to foreign (non-California) corporations.
2. Contractor warrants that it shall maintain a fidelity bond in the amount sufficient to cover any loss to CalSTRS due to any fraudulent or dishonest act on the part of the Contractor or any subcontractor, or any officer, employee or agent thereof and naming CalSTRS as the insured.
3. Contractor warrants that it maintains errors and omissions insurance providing a prudent amount of coverage for negligent acts or omissions and that such coverage is applicable to Contractor's actions under the Contract.
4. Contractor warrants that it maintains or shall cause to be maintained as "All Risk Coverage" for property damage and business interruption (including computers and their peripheral equipment) subject to policy terms and conditions.
5. Contractor warrants that it will not delegate its fiduciary responsibilities under the Contract(s).
6. Contractor warrants that it has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by a government or a governmental authority for acts contemplated by the Contract(s).
7. Contractor warrants that it has implemented and enforces a policy designed to insure that its employees and individuals subject to its control do not engage in illegal insider trading proscribed by federal and state securities laws and regulations
8. Contractor agrees to promptly notify CalSTRS of any changes in Contractor's compliance with the warranties stated herein and agrees to restore the warranties as required by CalSTRS, in the event of a lapse. In the absence of a notice to CalSTRS to the contrary, CalSTRS has the right to rely on the on-going effectiveness of each warranty contained herein.
9. If applicable, further and other warranties will be determined at the time of execution of the contract agreed upon by both the Contractor and CalSTRS.

Name of Firm

Date

Proposer's Authorized Signature

Printed Name

ATTACHMENT 5

STATEMENT OF COMMITMENT TO MEET
DISABLED VETERAN BUSINESS ENTERPRISE
CONTRACT PARTICIPATION GOAL

If selected as a potential contractor, _____
(Proposer Name) hereby commits to comply with CalSTRS’ intent regarding the contract participation goal of three percent (3%) Disabled Veteran Business Enterprise, in accordance with the provisions of Public Contract Code Sections 10115.

Authorized Signor Name

Title

Signature

Date

ATTACHMENT 6

AUTHORIZED/KEY PERSONNEL

The names and titles of the personnel authorized to conduct business on behalf of the Contractor in a decision-making capacity are as follows:

Signature _____
Name (Typed) _____
Title (Typed) _____
Date _____
E-mail _____

Signature _____
Name (Typed) _____
Title (Typed) _____
Date _____
E-mail _____

Signature _____
Name (Typed) _____
Title (Typed) _____
Date _____
E-mail _____

Signature _____
Name (Typed) _____
Title (Typed) _____
Date _____
E-mail _____

ATTACHMENT 7

FEE PROPOSAL

Proposer Firm Name

Proposers must submit their fee schedule in the format prescribed below. Any deviation from the prescribed format which, in the opinion of CalSTRS, is material may result in the rejection of the proposal. Proposers must provide their fees for all three (3) sections, 1-A, Annual Flat Fee for Ongoing Valuation Consulting Services; 1-B, Hourly Rate for Additional Consultation Services Over and Above 192 Hours Per Year; and 2., Fee for Providing Appraisal Oversight. However, only 1-A, Annual Flat Fee for Ongoing Valuations Consultant Services shall also be used for scoring purposes.

Pricing for this RFP will be divided into two primary components:

1. Pricing for ongoing valuation consulting services

A) Annual flat fee for 192 hours of consultation services (used for scoring purposes also)

B) Hourly rate for additional consultation services in excess of 192 hours per year

The proposed flat fee shall include all costs (including, but not limited to: all personal service costs, fringe benefits, travel, operating and equipment expenses and overhead) for providing Real Estate Consulting Services to CalSTRS as described in the Scope of Work, Section C, in this RFP. Proposers should base their annual flat fee by providing their cost for one senior person to be dedicated to the CalSTRS account for two (2) days per month, totaling 192 hours per year. (* 2 days per month x 8 hours per day x 12 months per year = 192 hours per year). Proposers should also provide an hourly rate for additional services should the 192 hours per year be exceeded.

2. Pricing for appraisal oversight (on a per asset basis)

For purposes of determining the pricing for appraisal oversight, CalSTRS anticipates the selected contractor will oversee the valuation of sixty (60) assets in 2009. Thereafter, approximately 24 assets are valued per year. For bidding purposes in responding to this RFP, contractors should estimate twenty four (24) assets per year for years 2010 through 2013.

Of the current pool of CalSTRS assets that are to be appraised per this RFP, fifty six (56) are single-property assets and sixteen (16) are multi-property assets containing a total of 92 properties. Therefore, in aggregate, the current pool of CalSTRS assets subject to this RFP includes seventy two (72) assets containing one hundred forty eight (148) properties; (as shown on the Master List of Assets and Properties, Exhibit I).

	Assets	Properties
	56	56
	<u>16</u>	<u>92</u>
TOTALS:	72	148

FEE PROPOSAL (Continued)

1. ANNUAL FLAT FEE FOR ONGOING VALUATION CONSULTING SERVICES

**A) ANNUAL FLAT FEE FOR 192 HOURS OF CONSULTATION SERVICES
(shall also be used for scoring purposes)**

Year

Year 1 _____

Year 2 _____

Year 3 _____

Optional Year 4 _____

Optional Year 5 _____

TOTAL _____

**B) HOURLY RATE FOR ADDITIONAL CONSULTATION SERVICES OVER
AND ABOVE 192 HOURS PER YEAR**

Year

Year 1 _____

Year 2 _____

Year 3 _____

Optional Year 4 _____

Optional Year 5 _____

2. FEE FOR PROVIDING APPRAISAL OVERSIGHT

Pricing should be provided on a per asset basis. Assume 60 assets are appraised in 2009, and thereafter, approximately 24 assets per year.

<u>Year</u>	Proposer's Fee Per Asset for Appraisal Oversight
Year 1	_____
Year 2	_____
Year 3	_____
Optional Year 4	_____
Optional Year 5	_____

Proposers must propose fees for all five (5) years in sections 1. A) and B) and section 2. Once the Contractor is selected, the fees may be further refined depending on factors which may affect the proposed fees. In no case will the refined fees be higher than the fees contained in this proposal.

FEE PROPOSAL (Continued)

During the term of the contract, it is anticipated that additional projects may arise beyond the original scope of this RFP. In the event such new special situations, additional valuation or consulting assignments occur, then CalSTRS and Contractor may enter into a separate engagement letter to address, negotiate, define and agree to the terms, conditions and fee schedule for such additional projects.

Are you claiming preference as a small business? Yes ____ No ____

Are you claiming TACPA preferences? Yes ____ No ____

Are you claiming EZA preferences? Yes ____ No ____

Are you claiming LAMBRA preferences? Yes ____ No ____

Name of Firm

Proposer's Authorized Signature

Printed Name

Title

Date

ATTACHMENT 8

**DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) INCENTIVE INFORMATION
AND DECLARATION FORM**

The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC) section 10115 et seq., Military and Veterans Code (MVC) section 999 et seq., and California Code of Regulations (CCR), Title 2, section 1896.60 et seq. The program was established to allow returning wounded and crippled war heroes to participate in state contract opportunities. Their bodies were crippled but their minds were intact. (They had diverse skill sets as janitor, teacher, project manager, lawyer, and engineer) established business relationships left little room for them to participate.

To further this program each California Governor has issued an Executive Order requiring that the Director of any Agency that did not meet the 3% goal report to him as to why they failed and submit a plan to correct the deficiency.

The PCC 10115 et seq. requires a goal of three (3%) DVBE participation on contracts awarded by CalSTRS. The Teachers' Retirement Board has adopted a policy that directs staff to encourage, promote, and facilitate the fullest participation by Disabled Veteran Business Enterprise (DVBE) in contracts awarded by CalSTRS:

- a) Contractor agrees that as a contractor of CalSTRS it will meet the requirements of 3% DVBE participation in this contract opportunity.
- b) In order to facilitate finding DVBE to perform a commercially useful function pertinent to this RFP, Proposers are directed to the DGS website where they will find the five (5) mandated steps in their search for DVBE at website www.dgs.ca.gov. Each of those steps must be completed in your search. If you fail to find a DVBE with the skill sets necessary to perform a commercially useful function after documenting all five (5) steps having been completed, CalSTRS will allow you to bid as a responsive Proposer on this RFP without penalty.
- c) You may also qualify to bid if you have an approved utilization plan approved by DGS before the bid date. In that plan you must certify that you will meet the 3% goal requirement on all your contracts in California. (Not just state contracts but all contracts in California.)

To further assist in fulfilling the requirements of DVBE participation the state passed into law SB115 which gave a bid incentive to Proposers who utilized DVBE. The incentive will be applied on this RFP. **If you fulfill the 3% goal, upon submission of proposal, you will be given a bid incentive of 10 points added to your score before the Fee and Interview points are calculated.**

In completing the Good Faith Effort (GFE) to find a DVBE to participate in the bid it is important to remember that when you contact the awarding agency you ask them for the name of all DVBE who have expressed an interest in participating in the RFP. You must contact and consider these DVBE to perform the GFE. The contract advertisement on the DGS web site often has contract advertisements by potential subcontractors. You must access those advertisements and contact all the DVBE listed. It is the experience of CalSTRS that if you perform the GFE you will find DVBE to participate. The two (2) largest DVBE organizations in the state are The Legal legislative Coalition at telephone number (916) 773-1377 and the

DVBE Alliance at telephone number (916) 446-3510. If you contact them they will assist you free of charge in finding a DVBE to participate in the RFP.

You must document the GFE and DVBE participation on the STD. 840 form provided in this RFP in Attachment 11. You must also list all subcontractors who will participate in this RFP on form GSPD-05-105. Proposers must commit to using the certified DVBEs in the capacity and for the amount identified on the GSPD-05-105. Any DVBE firm not selected must be identified on the Attachment 11, STD 840 (page 2), and the reason for non-selection documented on the form.

Proposer Declaration Instructions: All prime Proposers (the firm submitting the bid) must complete the Declaration Form GSPD-05-105.

1.

- a. Identify all current certifications issued by the State of California. If the prime Proposer has no California certification(s), check the line labeled “None” and proceed to Item #2. If the prime Proposer possesses one or more of the following certifications, enter the applicable certification(s) on the line:
 - Microbusiness (MB)
 - Small Business (SB)
 - Small Business Nonprofit Veteran Service Agency (SB/NVSA)
 - Disabled Veteran Business Enterprise (DVBE)
- b. Mark either “Yes” or “No” to identify whether subcontractors will be used for the contract. If the response is “No”, proceed to Item #1.c. If “Yes”, enter on the line the distinct element of work contained in the contract to be performed or the goods to be provided by the prime Proposer. Do not include goods or services to be provided by subcontractors.

Proposers certified as MB, SB, SB/NVSA, and/or DVBE must provide a commercially useful function as defined in Military and Veterans Code Section 999(e)(2)(A) for DVBEs and Government Code Section 14837(d)(4)(A) for small/microbusinesses. For questions regarding commercially useful function determinations made in conjunction with certification approval, contact the Department of General Services, Procurement Division, Office of Small Business and DVBE Certification (OSDC), OSDC Certification and Compliance Unit via email at: osdchelp@dgs.ca.gov.

Bids must propose that certified Proposers provide a commercially useful function for the resulting contract or the bid will be deemed non-responsive and rejected by the State. For questions regarding the solicitation, contact the procurement official identified in the solicitation.

Note: A subcontractor is any person, firm, corporation, or organization contracting to perform part of the prime’s contract.

- c. This item is only to be completed by businesses certified by California as a DVBE.
 - (1) Declare whether the prime Proposer is a broker or agent by marking either “Yes” or “No”. The Military and Veterans Code Section 999.2 (b) defines “broker” or “agent” as a certified DVBE contractor or subcontractor that does not have title, possession, control, and

risk of loss of materials, supplies, services, or equipment provided to an awarding department, unless one or more of the disabled veteran owners has at least 51-percent ownership of the quantity and value of the materials, supplies, services, and of each piece of equipment provided under the contract. (2) If bidding rental equipment, mark either “Yes” or “No” to identify if the prime Proposer owns at least 51% of the equipment provided (quantity and value). If **not** bidding rental equipment, mark “N/A” for “not applicable.”

2. If no subcontractors are proposed, do not complete the table. Read the certification at the bottom of the form and complete “Page ____ of ____” on the form. If subcontractors will be used, complete the table listing all subcontractors. If necessary, attach additional pages and complete the “Page ____ of ____” accordingly. **Column Labels - Subcontractor Name, Contact Person, Phone Number & Fax Number**—List each element for all subcontractors.

Subcontractor Address & Email Address—Enter the address and if available, an Email address.

CA Certification (MB, SB, DVBE or None)—If the subcontractor possesses a current State of California certification(s), verify on the OSDC website (www.pd.dgs.ca.gov/smbus) that it is still valid and list all current certifications here. Otherwise, enter “None”. [Note: A SB/NVSA should not be participating as a subcontractor].

Work performed or goods provided for this contract—Identify the distinct element of work contained in the contract to be performed or the goods to be provided by each subcontractor. Certified subcontractors must provide a commercially useful function for the contract. (See paragraph 1.b above for code citations regarding the definition of commercially useful function.) If a certified subcontractor is further subcontracting a greater portion of the work or goods provided for the resulting contract than would be expected by normal industry practices, attach a separate sheet of paper explaining the situation.

Corresponding % of bid price—Enter the corresponding percentage of the total bid price for the goods and/or services to be provided by each subcontractor. Do not enter a dollar amount.

Good Standing?—Provide a response for each subcontractor listed. Enter either “Yes” or “No” to indicate that the prime Proposer has verified that the subcontractor(s) is in good standing for all of the following:

- Possesses valid license(s) for any license(s) or permits required by the solicitation or by law
- If a corporation, the company is qualified to do business in California and designated by the State of California Secretary of State to be in good standing
- Possesses valid State of California certification(s) if claiming MB, SB, and/or DVBE status
- Is **not** listed on the OSDC website as ineligible to transact business with the State

51% Rental?—This pertains to the applicability of rental equipment. Based on the following parameters, enter either “N/A” (not applicable), “Yes” or “No” for each subcontractor listed. Enter “N/A” if the:

- Subcontractor is NOT a DVBE (regardless of whether or not rental equipment is provided by the subcontractor) or;
- Subcontractor is NOT providing rental equipment (regardless of whether or not subcontractor is a DVBE) Enter “**Yes**” if the subcontractor is a California certified DVBE providing rental equipment and the subcontractor owns at least 51% of the rental equipment (quantity and value) it will be providing for the contract. Enter “**No**” if the subcontractor is a California certified DVBE providing rental equipment but the subcontractor does NOT own at least 51% of the rental equipment (quantity and value) it will be providing.

GSPD-05-105 (EST 8/05) Instructions

DECLARATION FORM
GSPD-05-105 (EST 8/05)

1. Prime Proposer information (Please review Declaration Form Instructions above prior to completion):

a. Identify current California certification(s) (MB, SB, SB/NVSA, DVBE): _____ or
None _____

b. Will subcontractors be used for this contract? Yes ___ No ___

(If yes, indicate the distinct element of work your firm will perform in this contract e.g., list the proposed products produced by your firm, state if your firm owns the transportation vehicles that will deliver the products to the State, identify which solicited services your firm will perform, etc.). Use additional sheets, as necessary.

c. If you are a California certified DVBE:

Are you a broker or agent? Yes ___ No ___

If the contract includes equipment rental, does your company own at least 51% of the equipment provided in this contract (quantity and value)?

Yes ___ No ___ N/A ___

2. If no, subcontractors will be used, skip to certification below. Otherwise, list all subcontractors for this contract on a separate sheet of paper and include the following:

Subcontractor Name, Contact Person, Subcontractor Address, CA Certification Number, Work performed or goods provided corresponding good 51%, Telephone Number, Fax Number, Email Address, MB, SB, DVBE or None for this contract.

CERTIFICATION: By signing below, I certify under penalty of perjury that the information provided is true and correct.

Proposer's Authorized Signature

Printed Name

Title

Date

ATTACHMENT 9

**CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
DISABLED VETERAN BUSINESS ENTERPRISE PROGRAM REQUIREMENTS**

Authority: The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for California State Teachers' Retirement System (CalSTRS) contracts is established in Public Contract Code (PCC), Section 10115 et seq., Military and Veterans Code Section 999 et seq., and the California Code of Regulations, Title 2 (2CCR), Section 1896.60 et seq.

The minimum DVBE participation percentage is 3% for this solicitation.

Introduction: The bidder must document at least one of the options (A, B, or C) in this document to comply with this solicitation's DVBE program requirements. Bids or proposals (hereafter called "bids") that fail to fully document one of the DVBE program requirements options shall be considered non-responsive and ineligible for award.

All information submitted by the intended awardee to comply with this solicitation's DVBE requirements will be verified by CalSTRS. If evidence of an alleged violation is found during the verification process, CalSTRS shall initiate an investigation with this information in accordance with the requirements of the PCC, Section 10115, et seq. and the Military and Veterans Code, Section 999 et seq. and follow the investigatory procedures required by the California Code of Regulations, Section 1896.80.

Only State of California, Office of Small Business and DVBE Certification (OSDC) certified DVBEs who perform a commercially useful function relevant to this solicitation may be used to satisfy the DVBE program requirements. The criteria for performing a commercially useful function are contained in the CCR, Title 2, §1896.61(I). A DVBE contractor, subcontractor or supplier is considered performing a commercially useful function when it meets the following criteria:

(1) The business concern is: responsible for the execution of a distinct element of the work of the contract; carrying out its obligation by actually performing, managing or supervising the work involved; and performing work that is normal for its business services and functions, and

(2) The business concern is not further subcontracting a greater portion of the work than would be expected by normal industry practices.

CalSTRS will verify each DVBE subcontractor's/supplier's certification with the OSDC to ensure DVBE eligibility.

To meet the DVBE program requirements, bidders must complete and fully document at least one of the following compliance options:
Option A – Commitment to full DVBE participation: For a bidder who is a DVBE or who is able to meet the commitment to use identified DVBE(s) to fulfill the full DVBE participation goal.
Option B – Good Faith Effort: For a bidder documenting its completed effort, made prior to the bid due date, to obtain DVBE participation that may result in partial or no DVBE participation.
Option C – Business Utilization Plan: For a bidder using an annual plan (subject to approval) to satisfy DVBE participation requirements. Applies only to solicitations for goods or information technology.

Please Read All Instructions Carefully. These instructions contain information about the DVBE program requirements, bidder responsibilities, and requirements for performing and documenting each of the three available options as detailed below. Bidders are responsible for thorough review and compliance with these instructions. Document your option selection on the attached AD 840 form, Documentation of Disabled Veteran Business Enterprise Program Requirements.

OPTION A – COMMITMENT: Commit to meet or exceed the DVBE participation requirement in this solicitation by either Method A1 or A2. Bidders must document DVBE participation commitment by completing and submitting the attached AD 840 form. Failure to complete and submit the AD 840 form as instructed shall render your bid non-responsive

The bidder must provide, prior to contract award, a written agreement signed by the bidder and each proposed DVBE subcontractor. The written agreement will include the (1) DVBE scope of work; (2) work to be performed by the DVBE; (3) term of intended subcontract with the DVBE; (4) anticipated dates the DVBE will perform the required work; (5) rate and conditions of payment; (6) total amount of contract to be paid to the DVBE; and (7) the percentage of the entire contract that will be awarded to the DVBE, with each DVBE subcontractor. If this information is contained in the bidder's DVBE written agreement of intent, the agreement may be attached to the AD 840 form. If further verification is necessary, CalSTRS will obtain additional information to verify the above requirements.

Method A1. Certified DVBE Bidder:

- a. Commit to performing at least 3% of the contract bid amount with your firm or in combination with other DVBE(s).
- b. Document DVBE participation on AD 840 (Side 1) form and attach copy of all applicable certifications.
- c. A DVBE working in combination with other DVBEs shall be requested to submit proof of its commitment by submitting a written agreement with the DVBE(s) identified in its bid's AD 840 form. When requested, the written agreement must be submitted to the address or facsimile number specified and within the timeframe identified in the notification. Failure to submit the requested written agreement as specified may be grounds for bid rejection.

Method A2. Non-DVBE Bidder:

- a. Commit to using certified DVBE(s) for at least 3% (unless otherwise specified) of the bid amount.
- b. When a bidder commits to less than the required 3% DVBE participation or its commitment may fall below 3% if specific line items/groups are not selected for award, then Option B - Good Faith Effort, must be completed in addition to Option A Commitment.
- c. Document DVBE participation on AD 840 (Side 1) form and attach a copy of the DVBE's certification.
- d. Prior to contract award, a bidder is to submit proof of their commitment by submitting a written agreement with the DVBE(s) identified in its bid's AD 840 form. The CalSTRS contracting official named in this solicitation will contact each listed DVBE, by mail, fax or telephone, for verification of the bidder's submitted DVBE information. The written agreement must be submitted to the address or facsimile number specified and within the timeframe identified in the notification. Failure to submit the written agreement as specified may be grounds for bid rejection.

OPTION B - GOOD FAITH EFFORT (GFE): Performance and documentation requirements must be completely satisfied prior to bid submission if you are unable to obtain and commit to the full DVBE participation percentage goal (Option A) and do not exercise Option C. Perform and document the

following steps 1 through 5 on both sides of the attached AD 840 form. Failure to perform and document GFE Steps 1 through 5 as instructed, which includes properly completing and submitting the AD 840 form, shall result in your bid being deemed non-responsive. Step 3, Advertisement, is required unless specifically waived for this solicitation due to time limits imposed by the CalSTRS.

Step 1. CalSTRS - Contact CalSTRS' Contract Administrator named in this solicitation to identify interested DVBEs. You must document this contact and describe the results on AD 840 (Side 2).

Step 2. Other State and Federal Agencies, and Local Organizations

State: Contact the Department of General Services, Procurement Division's Office of Small Business and DVBE Certification (OSDC) to obtain a list of certified DVBEs by telephone at (916) 322-5060 for the 24-hour automated telephone system or (916) 375-4940 for the receptionist during business hours. This information can also be obtained by searching the online database at <http://www.pd.dgs.ca.gov/smbus>. Begin by selecting the Certified Firm Inquiry Services, then search by using either the Keyword Search or the Standard Query options. You must document this contact and describe the results on AD 840 (Side 2) form.

Federal: Search the U.S. Small Business Administration's (SBA) online database (Pro-Net) at <http://www.pro-net.sba.gov> to identify potential DVBEs. Select the minimum options in the following sequence: select Search Database; select CA under "State"; select Service Disabled Veteran under "other Ownership Data"; and "Search Using These Criteria" at the page bottom. You may select other criteria to focus your search. You must fully document this contact and describe the results on AD 840 (Side 2) form.

Local: Contact at least one local DVBE organization to identify DVBEs. For a list of local DVBE organizations, please refer to the DVBE Resource Packet that may be accessed online (<http://www.pd.dgs.ca.gov/smbus> - select "DVBE Resource Packet") or obtain a hardcopy by requesting it from DGS-PD Office of Small Business and DVBE Outreach and Education at (800) 559-5529 during normal business hours. You must fully document your contact with local DVBE organizations and describe the results on AD 840 (Side 2) form.

Step 3. Advertisements are mandatory unless waived by CalSTRS.

Content Requirements: Include all nine of the following components in your advertisement(s): (1) company name; (2) contact name; (3) address; (4) telephone and facsimile (if applicable) numbers; (5) E-mail address (if applicable); (6) Castro's solicitation number; (7) goods and/or services for which CalSTRS is soliciting; (8) the location of the work to be performed; and (9) the CalSTRS's bid due date and/or your due date for receiving DVBE responses.

How Many & Where To Publish: Bidders must publish two (2) ads, one (1) each in trade paper and a DVBE focus paper unless the paper is dual purpose (fulfilling both trade and focus requirements as defined in the California code of Regulations, Title 2, Section 1896.61 (k), in which case one (1) ad is acceptable). Please see the DVBE Resource Packet for a list of acceptable publications.

When: Ads must be published after the solicitation's release date and at least 7 days prior to the bid due date.

Document & Submit: On AD 840 (Side 2) form, document the publication name(s) in which you published advertisement(s), the contact name and phone number, and date of publication. Include a copy(ies) of the advertisement(s) with your bid.

Advertisement Format Example: This example offers a suggested format that includes required information. You can substitute the applicable information for the bolded, italicized words.

DVBES are invited to participate as a potential subcontractor/supplier to perform a commercially useful function specific to ***CalSTRS' IFB No.: B12345 for fencing materials in Chowchilla.***

DVBE responses due 1/1/02; Bids due to CalSTRS 1/15/02.

Contact: ***ABC Company***

Jane Doe, General Manager

123 Main Street, Sacramento, CA 95814

Voice; 555/555-5555; fax: 555/555-5556

Or e-mail: jane.doe@abcco.com

Step 4. Invitations to Participate

Who: Invite DVBEs who can provide relevant goods and/or services to this solicitation to subcontract with you. Conducting Steps 1 through 3 produces a list of DVBEs from which you may choose potential DVBEs subcontractors/suppliers to contact. Bidders are advised to contact as many DVBEs (who provide relevant goods and/or services in the applicable location(s) as possible. Non-California-certified DVBEs are not eligible – please refer those DVBEs to the OSDC to learn about certification.

For What: Solicit DVBEs for goods and/or services relevant to the CalSTRS solicitation. If you are unable to identify specific portion(s) of the proposed contract to subcontract, the CalSTRS encourages bidders to avoid making a predetermination that no DVBEs are able to perform without first contacting and soliciting participation from them. This allows DVBEs to respond whether they can or cannot provide any goods or services related to the solicitation, and provides a bidder with responses for consideration.

How To Invite & Content Requirements: Written invitations are required. At a minimum, invitations must contain all of the following: (1) company name; (2) contact name; (3) address; (4) phone and facsimile (if applicable) number; (5) return E-mail address (if applicable); (6) the CalSTRS solicitation number; (7) goods and/or services for which the state is soliciting; (8) location of work; and (9) CalSTRS bid due date and/or your due date for receiving DVBE responses.

When: Provide DVBEs with a reasonable time period to receive and respond to your invitation, and to be considered by you for participation as described in Step 5, prior to your bid submission.

Document & Submit: Bidders must document the completed contacts on AD 840 (Side 1). Attach additional copies of AD 840A as necessary to list your DVBE contacts. You are required to attach a copy of: (1) each invitation or offer sent by letter, fax or e-mail; and (2) confirmation

of transmittal or delivery. Your bid shall be considered non-responsive if it fails to include copies of the written invitations and delivery confirmations.

Step 5. Consider all Responding DVBEs for Contact Participation. Consideration must be based on business needs for the contract and the same evaluation criteria must be applied to each potential DVBE subcontractor/supplier offering the same goods and services. You must document on AD 840 (Side 1), Section A any firm(s) selected for participation; or if not selected, the reason for non-selection. Attach additional copies of AD 840A as necessary to list all of your DVBE contacts.

OPTION C – THE DVBE BUSINESS UTILIZATION PLAN (BUP): option permits bidders to submit an approved DVBE BUP to satisfy DVBE participation solicitation requirements up to 3%. DVBE BUPs apply only to solicitations for goods and information technology (IT) goods and services. DVBE BUPs are a company's commitment to expend a minimum of 3% of its total statewide contract dollars with DVBEs – this percentage is based on all of its contracts in the State, not just those with the CalSTRS. DVBE BUPs must be submitted to and approved by the DGS-PD prior to the bid due date. Please call the DGS-PD, Office of Small Business and DVBE Outreach and Education at (800) 559-5529 for assistance. Bidders choosing this option must properly complete and submit an AD 840 (Side 1) form and include a copy of its approval letter with the bid. Failure to submit these documents shall render your bid non-responsive.



Designation of Option - Check the appropriate box(es) to indicate the option(s) with which you choose to comply, complete the applicable sections and attach the required supporting documentation. You are advised to read all instructions carefully prior to completing this form. Remember that only California certified DVBEs who can provide related goods and/or services may be used to satisfy these program solicitation requirements.

- ☐ **OPTION A: I commit to meeting the full DVBE contract participation requirement.**
Complete AD 840, Section A.
- ☐ **OPTION B: I performed and documented a Good Faith Effort (GFE) in an attempt to obtain DVBE participation.** *Complete AD 840, Section A (GFE Steps 4 & 5) and AD 840 (Side 2), Section B for GFE Steps 1 – 3).*
- ☐ **OPTION C: I submit a copy of my firm’s “Notice of Approved DVBE Business Utilization Plan.”**

A. Full information must be provided.

For contract participation commitment, at least one DVBE must be listed. DVBEs must perform a commercially useful function. List the specific goods and/or services with the dollar and/or percentage value(s) that the DVBE(s) commit(s) to provide and the DVBE’s tier (prime contractor=0, subcontractor to prime contractor=1, subcontractor to Tier 1 subcontractor =2, etc.) If both the estimated dollar amount and percentage are listed, the higher value supersedes. Attach additional pages to list all other DVBE subcontractors/suppliers (you may use AD 840A form). During contract performance, all requests for substituting named DVBEs must be made in accordance with the provisions of California Code of Regulations, Title 2, Section 1896.64I.

For Good Faith Effort (GFE), use this section to document your first completed contacts with (Step 4), and consideration of (Step 5), relevant DVBEs. Business reasons for non-selection must be documented. Attach additional pages to list all other DVBE contacts (Use AD 840A form). Copies of all written invitations and delivery confirmations must also be attached and submitted with the bid.

Date Contacted	DVBE Company Name (If you are the Prime and a DVBE enter your name, if not, enter the solicited subcontractor.)		
DVBE Contact Name & Reference #	Telephone Number ()	Fax Number ()	E-mail (if available)
Street Address, City, State and Zip Code			
☐ YES, I am, or will subcontract with, the listed DVBE to provide the following goods and/or services:			
Specific Goods and/or Services	Estimated \$ and/or % \$ / %		Tier
☐ NO, I am unable to subcontract with the DVBE for the following business reasons:			
Date Contacted	DVBE Company Name (If you are the Prime and a DVBE enter your name, if not, enter the solicited subcontractor.)		
DVBE Contact Name & Reference #	Telephone Number ()	Fax Number ()	E-mail (if available)
Street Address, City, State and Zip Code			
☐ YES, I am, or will subcontract with, the listed DVBE to provide the following goods and/or services:			
Specific Goods and/or Services	Estimated \$ and/or % \$ / %		Tier
☐ NO, I am unable to subcontract with the DVBE for the following business reasons:			

Use AD 840A form (add additional pages as necessary) to list all other DVBE contacts.
Go to Side 2, Section B to continue Good Faith Effort documentation→→

B. Documentation of Good Faith Effort Steps 1, 2 and 3: Please read all instructions prior to completing this form. For detailed sample advertisement format please refer to page 3.

Step 1. Contact the CalSTRS contracting official to identify potential DVBE subcontractors/ suppliers, and document this contact as required.

Date	Contact Name Ronda Roeszler	Telephone Number (916) 229-0910
Describe Result		

Step 2. Contact all of the following and document your contacts as required: Other state and federal agencies and local organizations to identify potential DVBE subcontractors/suppliers. **Other State Agency** – Procurement Division, Office of Small Business and DVBE Certification (Certification Office)

PHONE CONTACT OR ONLINE SEARCH	Date	Telephone Number (916) 322-5060 (916) 375-4940	Contact Name	☐ I contacted the Certification Office for a list of California certified DVBEs.
	Date	Internet Address http://www.pd.dgs.ca.gov/smbus		☐ I searched the Certification Office's online database to identify California certified DVBEs.
Describe Result				
Federal Agency – U.S. Small Business Administration (SBA) online database.				
Date	Internet Address http://www.pro-net.sba.gov			☐ I searched the federal online database for California DVBEs.
Describe Result				
Local DVBE Organizations – Contact at least one local DVBE organization. Refer to the DVBE Resource Packet for a list of acceptable contacts. (http://www.pd.dgs.ca.gov/smbus - select "DVBE Resource Packet")				
Date	Organization Name	Contact Name	Telephone Number and/or Internet Address	
Describe Result				
Date	Organization Name	Contact Name	Telephone Number and/or Internet Address	
Describe Result				

Step 3. Publish advertisements: Two (2) advertisements – One (1) ad in an accepted trade paper; and one (1) ad in an accepted DVBE focus paper (See the DVBE Resource Packet for a list of accepted publications); unless the paper is dual purpose (fulfilling both trade and focus requirements), in which case one (1) ad is acceptable. Copy(ies) of the advertisement(s) must be attached.

Focus Paper Name (List Full name)	Contact Name	Telephone Number ()
Address	Date Ad Published	
Trade Paper Name (List Full name)	Contact Name	Telephone Number ()
Address	Date Ad Published	
☐ I certify the ad was placed to reach both trade and focus audiences through this one publication.		
Trade and Focus Paper Name (List Full name)	Contact Name	Telephone Number ()
Address	Date Ad Published	

ADDITIONAL DOCUMENTATION OF DISABLED VETERAN BUSINESS ENTERPRISE CONTACTS

This document may be used as a continuation from Section A, AD 840 Form (New 11/03).

Date Contacted		DVBE Company Name		
DVBE Contact Name		Telephone Number ()	Fax Number ()	E-mail
Street Address, City, State and Zip Code				
OR	☐ Yes, I will subcontract with the listed DVBE to provide the following goods and/or services.			
	Specific Goods and/or Services		Estimated \$ and/or % \$ / %	Tier
	☐ No, I am unable to subcontract with the DVBE for the following business reasons:			
Date Contacted		DVBE Company Name		
DVBE Contact Name		Telephone Number ()	Fax Number ()	E-mail
Street Address, City, State and Zip Code				
OR	☐ Yes, I will subcontract with the listed DVBE to provide the following goods and/or services.			
	Specific Goods and/or Services		Estimated \$ and/or % \$ / %	Tier
	☐ No, I am unable to subcontract with the DVBE for the following business reasons:			
Date Contacted		DVBE Company Name		
DVBE Contact Name		Telephone Number ()	Fax Number ()	E-mail
Street Address, City, State and Zip Code				
OR	☐ Yes, I will subcontract with the listed DVBE to provide the following goods and/or services.			
	Specific Goods and/or Services		Estimated \$ and/or % \$ / %	Tier
	☐ No, I am unable to subcontract with the DVBE for the following business reasons:			
Date Contacted		DVBE Company Name		
DVBE Contact Name		Telephone Number ()	Fax Number ()	E-mail
Street Address, City, State and Zip Code				
OR	☐ Yes, I will subcontract with the listed DVBE to provide the following goods and/or services.			
	Specific Goods and/or Services		Estimated \$ and/or % \$ / %	Tier
	☐ No, I am unable to subcontract with the DVBE for the following business reasons:			

ATTACHMENT 10

DARFUR CONTRACTING ACT

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently has or within the previous three years had business activities or other operations outside of the United States, it must certify that it is not a “scrutinized” company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

1. _____ We do not currently have and have not, within the previous three (3) years,
 Initials had business activities or other operations outside of the United States.

OR

2. _____ We are a scrutinized company as defined in Public Contract Code section
 Initials 10476, but we have received written permission from the Department of
 General Services (DGS) to submit a bid or proposal pursuant to Public
 Contract Code section 10477(b). A copy of the written permission from DGS
 is included with our bid or proposal.

OR

3. _____ We currently have, or we have had within the previous three years,
 Initials business activities or other operations outside of the United States,
+ certification but we certify below that we are not a scrutinized company as defined in
 below Public Contract Code section 10476.

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

Proposer/Bidder Firm Name (Printed)		Federal ID Number
By (Authorized Signature)		
Printed Name and Title of Person Signing		
Date Executed	Executed in the County and State of	

YOUR BID OR PROPOSAL WILL BE DISQUALIFIED UNLESS YOUR BID OR PROPOSAL INCLUDES THIS FORM WITH EITHER PARAGRAPH # 1 OR # 2 INITIALED OR PARAGRAPH # 3 INITIALED AND CERTIFIED.

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

INVESTMENT RESOLUTION

WHEREAS, the Electorate of the State of California in November, 1992 amended Section 17 of Article XVI of the State Constitution by approval of Proposition 162; and

WHEREAS, the Teachers' Retirement Board embraces the concepts of the revised Section 17 of Article XVI of the State Constitution, which states that the Retirement System shall have sole and exclusive fiduciary responsibility over the assets of the public pension or retirement system, and

WHEREAS, the Teachers' Retirement Board has approved the Investment Plan which provides for wider diversification of the System's investment assets; and

WHEREAS, the Teachers' Retirement Board on the advice of its consulting actuary and the pension fund consultant has adopted the objective of achieving a long term annualized investment return of 3.50% in excess of the rate of inflation; and

WHEREAS, in the exercise of its fiduciary responsibilities the Board has considered and approved various classes of investments for the Teachers' Retirement Fund; therefore it is

RESOLVED, that the following investment classes are authorized if deemed prudent at the time of purchase:

Fixed-Income Securities

Fixed Income investments as authorized by the Investment Management Plan and Fixed Income Policies and Guidelines and as authorized by the Investment Committee.

Equity Securities

Equity investments as authorized by the Investment Management Plan and Equity Policies and Guidelines and as authorized by the Investment Committee.

Real Estate

Real Property investments as authorized by the Investment Management Plan and Real Estate Policies and Procedures and as authorized by the Investment Committee.

Alternative Investments

Limited partnership investments in equity of fixed income securities as defined in the Alternative Investment Policies and Procedures and as authorized by the Investment Committee.

Other Investments

Purchase of other types of investments may be made only with advance approval of the Investment Committee of the Teachers' Retirement Board.

Advance approval of the Investment Committee or its designates may be obtained by authorization for individual securities, or for a particular class of investments, or for specified investment managers of the Teachers' Retirement Fund.

RESOLVED further that all investments shall be made with the standards of care, skill, prudence and diligence prescribed in the revised Section 17 of Article XVI of the State Constitution. These tests will involve, importantly, full consideration of proper diversification of investments, adequacy of reliable information for analysis of investments, and suitability for the requirements of the Teachers' Retirement Fund. The Board endorses the principle that prudence of individual investments shall be judged in the context of the total Retirement Fund portfolio;

RESOLVED further, that cash reserves of the System are to be managed for the safety and convenience of the Teachers' Retirement Fund, in investments which are considered to be prudent money market instruments by internal investment managers;

RESOLVED further, that the services of at least one external independent organization (performance evaluator) will be retained to assess the investment results of portfolio managers and to compare such results with those of similarly situated institutions and such other standards of measurement as the Investment Committee deems appropriate;

RESOLVED further, that investments now held which no longer qualify for purchase under this Resolution may be retained if qualified under the Resolutions existing at their respective dates of acquisition;

RESOLVED further, that this Investment Resolution rescinds and replaces all previously adopted Investment Resolutions.

Adopted by the Teachers' Retirement Board on October 19, 1984
Revised to include foreign issuers within the S&P 500 Stock Index on April 19, 1985
Revised to reflect legislation prohibiting investment within South Africa on December 19, 1986
Revised to reflect passage of Proposition 162 and implementation of Global Tactical Asset Allocation Program on September 9, 1993
Revised to remove reference to South Africa investment restriction on May 11, 1994
Revised to incorporate changes to the Investment Policy and Management Plan and individual asset class policies on July 10, 2002
Revised to broaden Fixed Income and Equity reference on July 10, 2008

ATTACHMENT A
Article XVI, Section 17 of the State Constitution

Sec. 17. The State shall not in any manner loan its credit, nor shall it subscribe to, or be interested in the stock of any company, association, or corporation, except that the State and each political subdivision, district, municipality, and public agency thereof is hereby authorized to acquire and hold shares of the capital stock of any mutual water company or corporation when the stock is so acquired or held for the purpose of furnishing a supply of water for public, municipal or governmental purposes; and the holding of the stock shall entitle the holder thereof to all of the rights, powers and privileges, and shall subject the holder to the obligations and liabilities conferred or imposed by law upon other holders of stock in the mutual water company or corporation in which the stock is so held.

Notwithstanding any other provisions of law or this Constitution to the contrary, the retirement board of a public pension or retirement system shall have plenary authority and fiduciary responsibility for investment of moneys and administration of the system, subject to all of the following:

(a) The retirement board of a public pension or retirement system shall have the sole and exclusive fiduciary responsibility over the assets of the public pension or retirement system. The retirement board shall also have sole and exclusive responsibility to administer the system in a manner that will assure prompt delivery of benefits and related services to the participants and their beneficiaries. The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and defraying reasonable expenses of administering the system.

(b) The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty.

(c) The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.

(d) The members of the retirement board of a public pension or retirement system shall diversify the investments of the system so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly not prudent to do so.

(e) The retirement board of a public pension or retirement system, consistent with the exclusive fiduciary responsibilities vested in it, shall have the sole and exclusive power to provide for actuarial services in order to assure the competency of the assets of the public pension or retirement system.

(f) With regard to the retirement board of a public pension or retirement system which includes in its composition elected employee members, the number, terms, and method of selection or removal of members of the retirement board which were required by law or otherwise in effect on July 1, 1991, shall not be changed, amended, or modified by the Legislature unless the change, amendment, or modification enacted by the Legislature is ratified by a majority vote of the electors of the jurisdiction in which the participants of the system are or were, prior to retirement, employed.

(g) The Legislature may by statute continue to prohibit certain investments by a retirement board where it is in the public interest to do so, and provided that the prohibition satisfies the standards of fiduciary care and loyalty required of a retirement board pursuant to this section.

(h) As used in this section, the term "retirement board" shall mean the board of administration, board of trustees, board of directors, or other governing body or board of a public employees' pension or retirement system; provided, however, that the term "retirement board" shall not be interpreted to mean or include a governing body or board created after July 1, 1991 which does not administer pension or retirement benefits, or the elected legislative body of a jurisdiction which employs participants in a public employees' pension or retirement system.

FIDUCIARY STANDARDS

*(Excerpts from the California Education Code)
Teachers' Retirement Law*

22250 The board and its officers and employees of the system shall discharge their duties with respect to the system and the plan solely in the interest of the members and beneficiaries of the Defined Benefit Program as well as the participants and beneficiaries of the Cash Balance Benefit Program as follows:

(a) For the exclusive purpose of the following:

(1) Providing benefits to members and beneficiaries of the Defined Benefit Program as well as the participants and beneficiaries of the Cash Balance Benefit Program.

(2) Defraying reasonable expenses of administering the plan.

(b) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an enterprise of a like character and with like aims.

(c) By diversifying the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

(d) In accordance with the documents and instruments governing plan and the system insofar as those documents and instruments are consistent with this part and Part 14 (commencing with Section 26000).

1. *Added by Chapter 1200, Statutes 1982;*
2. *Amended by Chapter 542, Statutes 1989;*
3. *Recodified from former Section 22225.5 by Chapter 893, Statutes 1993;*
4. *Amended by Chapter 634, Statutes 1996*
5. *Amended by Chapter 965, Statutes of 1998.*

Fiduciary Standards; Exclusive Purpose of Plan Assets

22251

(a) Except as provided in subdivision (b), the assets of the plan shall never inure to the benefit of an employer and shall be held for the exclusive purposes of providing benefits to members and beneficiaries of the Defined Benefit Program as well as the participants and beneficiaries of the Cash Balance Benefit Program and defraying reasonable expenses of administering the plan and the system.

(b) In the case of a contribution that is made by an employer by a mistake of fact, subdivision (a) shall not prohibit the return of that contribution within one year after the system knows, or should know in the ordinary course of business, that the contribution was made by a mistake of fact.

1. *Added by Chapter 542, Statutes 1989;*
2. *Recodified from former Section 22225.51 by Chapter 893, Statutes 1993;*
3. *Amended by Chapter 634, Statutes 1996.*
4. *Amended by Chapter 965, Statutes of 1998.*

Fiduciary Standards; Prohibited Transactions

22252 Except as otherwise provided by law, the board and the officers and employees of the system shall not cause the system to engage in a transaction if they know or should know that the transaction constitutes a direct or indirect:

(a) Sale or exchange, or leasing, of any property from the system to a member or beneficiary of the Defined Benefit Program, as well as a participant or beneficiary of the Cash Balance Benefit Program, for less than adequate consideration, or from a member or beneficiary of the Defined Benefit Program, as well as a participant or beneficiary of the Cash Balance

Benefit Program, to the system for more than adequate consideration.

(b) Lending of money or other extension of credit from the system to a member or beneficiary of the Defined Benefit Program, as well as a participant or beneficiary of the Cash Balance Benefit Program, without the receipt of adequate security and a reasonable rate of interest, or from a member or beneficiary of the Defined Benefit Program, as well as a participant or beneficiary of the Cash Balance Benefit Program, with the provision of excessive security or an unreasonably high rate of interest.

(c) Furnishing of goods, services, or facilities from the system to a member or beneficiary of the Defined Benefit Program, as well as a participant or beneficiary of the Cash Balance Benefit Program, for less than adequate consideration, or from a member, or beneficiary of the Defined Benefit Program, as well as a participant or beneficiary of the Cash Balance Benefit Program, to the system for more than adequate consideration.

(d) Transfer to, or use by or for the benefit of, a member or beneficiary of the Defined Benefit Program, as well as a participant or beneficiary of the Cash Balance Benefit Program, of any assets of the plan for less than adequate consideration.

(e) Acquisition, on behalf of the system, of any employer security, real property, or loan.

1. *Added by Chapter 542, Statutes 1989;*
2. *Recodified from former Section 22225.52 by Chapter 893, Statutes 1993;*
3. *Amended by Chapter 634, Statutes 1996.*
4. *Amended by Chapter 965, Statutes of 1998.*

Fiduciary Standards; Prohibitions Against Self-Dealing

22253 The board and its officers and employees of the system shall not do any of the following:

(a) Deal with the assets of the plan and the system in their own interest or for their own account.

(b) In their individual or in any other capacity, act in any transaction involving the system on behalf of a party, or represent a party, whose interests are adverse to the interests of the plan or the interests of the members and beneficiaries of the Defined Benefit Program, as well as participants and beneficiaries of the Cash Balance Benefit Program.

(c) Receive any consideration for their personal account from any party conducting business with the system in connection with a transaction involving the assets of the plan.

1. *Added by Chapter 542, Statutes 1989;*
2. *Recodified from former Section 22225.53 by Chapter 893, Statutes 1993;*
3. *Amended by Chapter 634, Statutes 1996.*
4. *Amended by Chapter 965, Statutes of 1998.*

22253.5 Recodified as Section 23704 by Chapter 893, Statutes 1993.

Personal Liability for Breach of Responsibility

22254

(a) Any board member or officer who breaches any of the responsibilities, obligations, or duties imposed upon them by Section 22251, 22252, or 22253 shall be personally liable to make restitution to the retirement fund for any losses to it resulting from each breach, and to restore any profits that have been made through use of assets of the fund and shall be subject to any other equitable or remedial relief the court may deem appropriate, including removal from the board.

(b) No board member or officer shall be liable with respect to a breach of fiduciary duty under this part if the breach was committed before the board member or officer became one, or ceased to be one.

1. *Added by Chapter 1200, Statutes 1982;*
2. *Amended by Chapter 542, Statutes 1989;*
3. *Recodified from former Section 22225.6 by Chapter 893, Statutes 1993;*
4. *Amended by Chapter 634, Statutes 1996.*

Personal Liability; Scope of Liability

22255

(a) No board member or officer shall be personally liable for the breach of a fiduciary duty except as set forth in Section 22254 or 22256. This subdivision shall apply only to causes of actions arising on or after January 1, 1990.

(b) Nothing in this section shall be interpreted to lessen the scope of liability of board members or employees of the system for gross negligence or fraud in the investment of the retirement fund assets, nor to lessen the scope of liability of the board or system for breach of fiduciary duty pertaining to the administration of the plan.

1. *Added by Chapter 542, Statutes 1989;*
2. *Recodified from former Section 22225.65 by Chapter 893, Statutes 1993;*
3. *Amended by Chapter 634, Statutes 1996.*

Personal Liability for Breach by Others

22256 A board member or officer shall be liable for a breach of fiduciary responsibility of another board member or officer with respect to the system in the following circumstances:

(a) If the board member or officer knowingly participates in, or knowingly undertakes to conceal an act or omission of the other board member or officer knowing that the act or omission is a breach.

(b) If the board member's or officer's failure to comply with his or her responsibilities as set forth in Section 22251, 22252, or 22253 has enabled another board member or officer to commit a breach.

(c) If the board member or officer has knowledge of a breach unless the board member or officer makes reasonable efforts under the circumstances to remedy the breach.

1. *Added by Chapter 1200, Statutes 1982;*
2. *Amended by Chapter 542, Statutes 1989;*
3. *Recodified from former Section 22225.7 by Chapter 893, Statutes 1993.*

Limitation of Personal Liability Upon Prudent Selection of Investment Managers

22257

(a) Notwithstanding Section 22203, the board may contract with or appoint one or more investment managers to manage the assets of the retirement fund. If the board has acted with care, skill, prudence, and diligence in meeting the requirements of Sections 22252 and 22253 in selecting and monitoring the investment managers, then, notwithstanding Sections 22250, 22252, 22253, 22254, and 22256, no board member shall be liable for the acts or omissions of the investment managers or be under any obligation to invest or otherwise manage any assets of the retirement fund that are subject to the management of the investment managers.

(b) Incorporation of the fiduciary duty set forth in Section 22250 into the terms of a contract between the system and an investment manager shall be admissible as evidence that the board has acted with care, skill, prudence, and diligence in the selection of the investment manager.

1. *Added by Chapter 1043, Statutes 1983;*
2. *Amended by Chapter 542, Statutes 1989;*
3. *Recodified from former Section 22225.8 by Chapter 893, Statutes 1993.*

Fiduciary Liability Insurance – Continuous Appropriation

22258 Notwithstanding Section 13340 of the Government Code, there is hereby continuously appropriated, without regard to fiscal years, from the retirement fund to the board, the amount necessary to pay for any insurance obtained pursuant to Section 7511 of the Government Code. These payments shall be made upon warrants drawn by the Controller upon demands made by the board.

1. *Added by Chapter 1503, Statutes of 1984;*
2. *Recodified from former Section 22225.75 by Chapter 893, Statutes of 1993.*

Fidelity Bond and Fiduciary Liability Insurance Coverage

22259

(a) All board members and officers and employees of the system shall execute a fidelity bond, in an amount determined by the board to be prudent, conditioned upon the faithful performance of the duties of the board member or employee.

(b) All board members and officers and all staff of the investment division who are authorized to invest funds shall be covered with fiduciary liability insurance in an amount determined by the board to be prudent.

1. *Added by Chapter 1504, Statutes of 1984 – Effective 9-28-84;*
2. *Recodified from former Section 22225.9 by Chapter 893, Statutes of 1993.*

Fiduciary Standards; Credit Enhancement

22260 Notwithstanding any other provision of law, the system may provide credit enhancement for bonds, notes, certificates of participation, or other evidences for indebtedness of an employer, provided that any credit enhancement transaction satisfies the requirement of Section 22250 and does not constitute a prohibited transaction for purposes of Section 503 of the United States Internal Revenue Code.

1. *Added by Chapter 1076, Statutes of 1998.*

Revised January 2002

PROPOSAL EVALUATION

Name of Proposer

PROPOSAL QUESTIONNAIRE	MAXIMUM POINT SCORE	PROPOSER'S POINT SCORE
Organization and Consulting Professionals	100	_____
Valuation Consulting Philosophy & Process	50	_____
Client Base and Services	50	_____
Experience	200	_____
TOTAL PROPOSAL QUESTIONNAIRE POINTS	<u>400</u>	=====

A Proposer must receive a minimum score of 280 points in the evaluation of their Proposal Questionnaire to be given further consideration.

DVBE Incentive Points (If applicable)	<u>10</u>	_____
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FEE PROPOSAL	MAXIMUM POINT SCORE	PROPOSER'S POINT SCORE
Fees	<u>200</u>	_____
TOTAL	<u>610</u>	=====

FINALIST INTERVIEW EVALUATION

Name of Proposer

FINALIST INTERVIEW	MAXIMUM POINT SCORE	PROPOSER'S POINT SCORE
Organization and Staff Background	80	_____
Experience	120	_____
Overall Presentation	<u>40</u>	_____
Total	<u>240</u>	=====

TEACHERS RETIREMENT BOARD POLICY MANUAL
SECTION 600H

H. Disclosure of Campaign Contributions, Charitable Contributions, and Gifts; Recusal Requirement; and Ban on Specified Gifts

1. Campaign Contributions¹

Any party who engages in business with CalSTRS for gain shall disclose campaign contributions, as defined under the California Political Reform Act, valued in excess of \$250, made to or on behalf of any existing CalSTRS Board member, candidates for Board member, Controller, Treasurer, Superintendent of Public Instruction, CalSTRS officer or employee.

2. Charitable Contributions

No party who engages in business with CalSTRS for gain shall provide any charitable contribution to a charitable entity, valued in excess of \$250 individually or in the aggregate in any calendar year, made at the request of any Board member, or CalSTRS officer or employee.

3. Gifts

A. No party who engages in business with CalSTRS for gain shall provide gifts to Board members or to CalSTRS officers or employees exceeding the following limits:

- i. Gifts, including meals or entertainment, with a cumulative value exceeding \$390 individually or in the aggregate in any calendar year, given to any Board member or CalSTRS officer or employee. The dollar amount of this limit shall be adjusted biennially in each odd numbered year to reflect the cost of living adjustments made by the Fair Political Practices Commission to the gift limit contained in Government Code section 89503.
- ii. This gift prohibition shall not extend to meals or related expenses provided under the following circumstances:

¹ Additional provisions governing investment relationships can be found in regulations at Title 5, California Code of Regulations sections 24010 through 24013, effective November 28, 2007. The regulations may also be found at www.calstrs.com.

- a. Food, beverages and registration at group events to which substantial numbers of employees of an institution are invited;
 - b. Actual and reasonable expenses for food, beverages, travel, lodging and/or registration provided to permit participation in a meeting directly tied to official or professional duties if participation has been approved in writing by the Chief Executive Officer (for CalSTRS staff) or by the CalSTRS Board (for Board members).
- B. Any party who engages in business with CalSTRS for gain shall disclose gifts aggregating more than \$50 in value made to Board members, or to CalSTRS officers or employees.

4. Recusal

- A. Any Board member who receives campaign contributions, charitable contributions, or gifts that individually or in the aggregate exceed the amount of \$250 in a calendar year shall recuse himself/herself from any involvement in a matter involving the maker of the contributions or gifts for a period of 12 months following the date of the most recent contribution or gift.
- B. Any Board member who returns, donates, or reimburses the donor for gifts subject to these restrictions within 30 calendar days of receipt of the gift shall not be subject to the recusal requirement. Gifts may be returned, donated or reimbursed as specified in California Code of Regulations, Title 2, Division 6, Chapter 9.5, section 18943.

5. Time and Coverage of Disclosures

Disclosure of campaign contributions, charitable contributions, and gifts shall be required as follows:

- A. Upon submission of an initial application or proposal to do business with the System (for the preceding 12-month period).
- B. At the time the final decision is to be made regarding the business proposal (to cover the interim period following the initial application).
- C. Annually, for the previous calendar year. (CalSTRS will use FPPC guidelines to determine which officials in a specific firm must file disclosure statements.)

6. Sanctions for Violation of Policy

Any violation of this policy may lead to disqualification from future business with the System for a period of two years following a determination by the Board that a violation has occurred. The General Counsel is responsible for causing an investigation of any reported violation to be made and shall report any documented violation to the Board for action.

7. Application of Policy

Nothing in this policy supersedes any provision of State law. Those entities engaged in business with the System may also have reporting requirements under the Political Reform Act, California Government Code section 81000 et seq. Also, Board members who are either elected to the Board by a CalSTRS constituency or who are appointed to the Board but also serve as an elected official of a local body are subject to Government Code section 84308, which prohibits the receipt, solicitation or direction of a campaign contribution of more than \$250 while a matter affecting a financial interest of the maker of the contribution is pending, and for three months following the date a decision is rendered on the matter. Section 84308 also requires recusal of the Board member from any involvement in the matter if a contribution over \$250 has been received within the preceding 12 months, unless the contribution was returned no later than 30 days from the time the Board member knew or should have known about the contribution and the matter involving the maker of the contribution.

*Reference: Education Code Section 22363
Amended December 7, 2006
Amended June 6, 2007
Amended February 7, 2008*

CONTRACTOR BACKGROUND INVESTIGATION POLICY

BACKGROUND: It is the policy of the California State Teachers' Retirement System (CalSTRS) to require all Contractors who contract with CalSTRS to gather and consider background history information in determining if contracted employees who provide services for CalSTRS meet the general standards for employment.

In evaluating contract employees under these provisions, Contractor must give particular emphasis to the business needs arising from CalSTRS' fiduciary responsibility for CalSTRS funds, its obligation to protect the personal data it holds and maintain the integrity of the retirement system, and its policy to provide a safe and secure workplace.

This includes, but is not limited to preventing contractors or their employees from using their employment or access to CalSTRS systems and data to:

- Carry out identity theft or related activities;
- Inappropriately alter member retirement benefits;
- Embezzle funds from CalSTRS;
- Engage in any activity that would damage CalSTRS reputation or member trust;
- Initiate any act of workplace violence, discrimination, or sexual harassment.

CalSTRS' contractor background investigation requirements consist of criminal record checks, civil check, reference checks, and verification of education and previous employment. In addition, CalSTRS contractors will check the driving records of their employees being considered for positions in which driving is a regularly assigned duty. The information gathered in this process is subject to strict confidentiality provisions in order to protect the privacy of those persons whose backgrounds are reviewed under this policy.

STANDARDS AND GUIDELINES:

The following outlines the standards and guidelines for considering information obtained through the various components of the background investigation process. When the information gathered through the individual parts of the process does not provide definitive conclusions as to the contracted personnel's suitability for employment, the background investigation results shall be considered collectively in reaching this determination. While these decisions must be reached through case-by-case review, Contractor must apply these standards and guidelines as consistently as possible.

Contracted personnel will be deemed unsuitable for CalSTRS employment if the background investigation process results in findings that meet any of the criteria identified as follows:

Criminal Record Checks

1. Any conviction at any time, or currently has any charges pending, for any of the following offenses:
 - Any form of fraud, deceit or misrepresentation
 - Embezzlement
 - Forgery
 - Identity theft/stolen credit card use
 - Any other offense involving misappropriation of funds, abuse of access to financial or personal records, unauthorized access to financial or personal records, falsification of documents or records, or other crimes of moral turpitude.
2. Any conviction or current charges pending for offenses such as the following:
 - Theft, burglary, car jacking or home invasion crimes.
 - Shoplifting
 - Receiving stolen property
 - Bad checks
3. Any conviction for any violent crime or currently has charges pending for such an offense.
4. Convictions other than those specified above will be deemed unsuitable for employment as a contractor with CalSTRS when their record of convictions indicates or suggests a continuing pattern of behavior that is inconsistent with any of the general qualifications for employment or the CalSTRS business concerns specified in the Background section, above.

Civil Checks

Civil history reveals a continuing pattern of credit abuse that supports the conclusion that he or she lacks one or more of the general qualifications for employment, such as honesty, integrity, and/or good judgment.

These determinations require careful case-by-case review of any credit problems, with particular emphasis on the following questions:

- Are the credit problems isolated to a particular point in time, or to a particular vendor with whom the individual may be having a dispute, or do they constitute a general pattern?
- Are there specific mitigating factors that explain the credit problems, such as illness or divorce?
- What effort has the individual made to correct the credit problems?
- How recent are the problems, and what has the credit record been since they occurred?

Reference Checks

Reference check information may disqualify contracted personnel from consideration for any CalSTRS employment when it reveals or confirms that the contracted personnel lack one or more of the general qualifications for employment such as honesty, integrity, and/or good judgment.

Fraud in Securing Appointment

Any information contracted personnel provided for employment with Contractor (on applications, resumes, background questionnaires, etc.) is substantively untruthful. Contractor will verify that information provided by prospective contracted personnel (including education and past work experience) is credible. Contractor will conduct a Social Security trace to aid in this verification.

Driving Record Checks

A serious driving violation, such as driving under the influence of alcohol or drugs, or reckless driving, within the past three years. Driving record checks are only applicable when driving a motor vehicle is a regularly assigned duty.

REQUIREMENTS:

Contractor shall certify that it has performed its background investigation of the contracted employee, reviewed and verified the background information in a manner consistent with CalSTRS' Contractor Background Investigation Policy, and determined that said employee is qualified to perform services for CalSTRS. Such certification will be made with submission of the Certification of Contractor's Employee Background Investigation form, provided to Contractor by CalSTRS, prior to full execution of agreement.

Contractor shall provide CalSTRS with the contracted employee's completed Personal History Statement, provided to Contractor by CalSTRS. Information the contracted employee provides concerning relatives who are CalSTRS members or beneficiaries and/or CalSTRS employees will be used to implement safeguards to prevent the contracted employee from working on or accessing the records/accounts of his or her relatives.

CalSTRS' Human Resources Office shall conduct background investigations for contracted employees that provide the following services at CalSTRS' facility:

- Information technology contractors who will have access to confidential information
- Student assistants
- Benefits counselors

EXCEPTIONS:

Any request for a waiver of the policy provisions should be directed to the manager of the Contract Services Unit, who will thereafter forward the request to the CalSTRS CEO for consideration and approval, on a case-by-case basis. Exceptions to the Contractor Background Investigation Policy may include but are not limited to the following circumstances:

- Contracted personnel will not have access to restricted areas of CalSTRS (e.g., printers providing services off-site and delivering product)
- Contracted personnel will not have access to confidential/sensitive data (e.g., lecture style training)
- State or local governmental entities are unable to comply (in these circumstances, CalSTRS will conduct the background investigation process for potential contracted personnel).

DISCLOSURE OF CONTRIBUTIONS AND GIFTS

Pursuant to Section 600.H. of the Teachers' Retirement Board Policy Manual, entitled "Disclosure of Campaign Contributions, Charitable Contributions, and Gifts, Recusal Requirement, and Ban on Specified Gifts" any party and its Authorized/Key Personnel who engages in business with CalSTRS for gain is required to make specific public disclosures. Contracting Entities and each of their Authorized/Key Personnel must complete and file separate forms. The below identified party or its Authorized/Key Personnel hereby make the following disclosures. (Please attach other sheets if more space is needed for disclosure and indicate enclosures.)

Identification of Filer

Name of Entity/Contractor			
Authorized/Key Personnel or Person Making Disclosure		Reported on behalf of Entity	☐
Description of Relationship with CalSTRS			
Mailing Address:			
City:		State:	
		Postal Code:	
Telephone:		E-mail Address:	

Filing and Disclosure Period

This disclosure of campaign contributions, charitable contributions, and gifts is in response to the following filing requirement:

☐	Upon submission of an initial application or proposal to do business with CalSTRS for the preceding 12-month period.
☐	With the submission of the contract for execution (signature) to cover the interim period since the initial application.)
☐	Annual disclosure for the previous calendar year.

1. Disclosure of Campaign Contributions

Disclosure of Campaign Contributions valued in excess of \$250 made to or on behalf of any a) existing Teacher's Retirement Board member, b) candidates for Board member, Controller, Treasurer, and Superintendent of Public Instruction, and c) CalSTRS officer or employee. The term "contribution" is defined in the Political Reform Act regulations, in Title 2, California Code of Regulations (CCR) section 18215. If the business is an Investment Relationship, disclosure of campaign contributions made to the Governor or candidates for the governorship must also be made, according to CalSTRS' Campaign Contribution regulations in Title 5, CCR section 24010.

Value of Contribution	Description if other than monetary	Date of Contribution	Identity of Recipient of Contribution

☐ Nothing to report

☐ Attachment is enclosed

2. Disclosure of Charitable Contributions

Disclosure of charitable contributions valued in excess of \$250 made at the request of any Teachers' Retirement Board member or CalSTRS officer or employee to any charitable organization.

Value of Contribution	Description of Contribution (monetary or in-kind)	Date of Contribution Made	Identity of Recipient of Contribution	Identity of Requester of Contribution

☐ Nothing to report

☐ Attachment is enclosed

3. Disclosure of Gifts

Disclosure of gifts, including meals, entertainment, or travel, valued in excess of \$50 made to any Teachers' Retirement Board member or CalSTRS officer or employee.

Value of Gift	Description of Gift	Date of Gift Given	Identity of Recipient of Gift

☐ Nothing to report

☐ Attachment is enclosed

I have exercised all reasonable due diligence in preparing this disclosure statement on my own behalf or on behalf of the reporting entity identified above. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attachments is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature

Title

Printed Name

Date

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 06/03)

AGREEMENT NUMBER

200#-###C

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

CONTRACTOR'S NAME

CONTRACTOR'S NAME

The term of this Start Date through
Agreement is:

3. The maximum amount **\$ 0.00**
of this Agreement is:

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – CalSTRS' Investment Resolution	5 pages
Exhibit B – Fiduciary Standards	4 pages
Exhibit C – Contractor Name's Authorized/Key Personnel	1 page
Exhibit D – CalSTRS' Authorized/Key Personnel	1 page
Exhibit E – Teachers Retirement Board Policy Manual Section 600H	3 pages
Exhibit F – Disclosure of Contributions and Gifts	2 pages
Exhibit G – CalSTRS' Background Investigation Policy	3 pages
Exhibit H – Certification of Contractor's Employee Background Investigation	1 page
Exhibit I – Personal History Statement	1 page

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

CONTRACTOR'S NAME

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

NAME OF AUTHORIZED SIGNOR

ADDRESS

**ADDRESS OF CONTRACTOR
CITY, STREET ZIP**

STATE OF CALIFORNIA

AGENCY NAME

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

JACK EHNES, CHIEF EXECUTIVE OFFICER

ADDRESS

7667 FOLSOM BOULEVARD, SACRAMENTO, CA 95826

*California Department of General
Services Use Only*

APPROVED AS TO FORM

CalSTRS LEGAL COUNSEL

☐ Exempt per:

A. INTRODUCTION

The California State Teachers' Retirement System (CalSTRS) and Contractor Name (Contractor) enter into this agreement to provide CalSTRS with (Add type of Service) services for CalSTRS. Pursuant to Education Code 22353 and Article XVI, Section 17 of the California Constitution, this agreement is entered into by the California State Teachers' Retirement System, at the direction of the Teachers' Retirement Board (Board), and Contractor Name.

B. GENERAL RESPONSIBILITIES

Under the direction of the Board or designee and in accordance with CalSTRS' Investment Resolution, Exhibit A, and Fiduciary Standards, Exhibit B, the services to be provided by the firm shall include, but not be limited to, the following:

1. Providing on-going Valuation Consulting Services, including opinions and recommendations on "best practices" for CalSTRS appraisal process, and current financial reporting rules, definitions and requirements. Evaluate and audit the internal valuation practices of CalSTRS third party Advisors and/or Partners.
2. Provide suggestions and recommendations on CalSTRS reporting procedures so that operational and financial reporting issues are fully considered in the appraisal process.
3. Contractor may be requested to provide services on both a domestic and global basis.
4. Contractor may be requested to assist in valuing entity level interests or the general partner interest in commingled funds.
5. Performing real estate valuations and managing the valuation process for CalSTRS real estate portfolio.
6. Establish appraisal schedule for assets to be valued, based on final dates of completion as directed by CalSTRS Real Estate Investments personnel.
7. Third Party Appraiser Selection: Identify qualified Appraisal firms and obtain bids for services from at least three qualified appraisal firms per asset. Appraisal Firm recommendations will be based upon: geographic and/or property type specialization and competence; valuation software proficiency; report writing competency; MAI designation; minimum of five (5) years experience providing Appraisal reports for institutional investors. The type of appraisals to be completed for each asset shall be Self Contained Appraisal Reports. The Appraisal Manager may not select itself or an affiliate as a third-party appraiser. CalSTRS will have an opportunity to voice any concerns or conflicts of interest that may exist.

8. Engagement: Coordinate the processing of engagement letters and information flow of data between CalSTRS, CalSTRS' Real Estate Advisors, and the selected appraisal firms.
9. Appraisal Review: The Appraisal scope of services to be performed will be compliant with the requirements of Standard 3 of the Uniform Standards of Professional Appraisal Practice (the "Standards"). Among its requirements, Standard 3 dictates that an appraiser reviewing an appraisal must form opinions: (i) as to the completeness of the report under review in light of the requirements of the Standards; (ii) as to the apparent adequacy and relevance of the data and the propriety of any adjustments to the data, (iii) as to the appropriateness of the appraisal methods and techniques used and develop the reasons for any disagreement; and (iv) as to whether the analyses, opinions, and conclusions in the report under review are appropriate and reasonable, and develop the reasons for any disagreement.
10. Reconciliation and Final Review: Serve as liaison during the review period. Review final appraisal reports to assure compliance with points raised during review process.
11. Appraisal Database: If requested by CalSTRS staff, assist in developing and implementing a standardized Excel worksheet with rollup capabilities.
12. Unspecified services: If requested by CalSTRS staff, provide valuation or consulting support either on a property or portfolio level.

C. AGREEMENT LIAISONS

1. Contractor
 - a) Contractor liaison for services shall be Name, Title, Telephone number, E-mail address.
 - b) Correspondence may be addressed to mail address.
2. CalSTRS
 - a) CalSTRS liaison for services shall be Director of Unit in Investments, at telephone number (916) 229-XXXX, and Mail Stop 4.
 - b) Contract Services, at telephone number (916) 229-3855, E-mail address contractservices@calstrs.com, and Mail Stop 30, for questions related to the agreement.
 - c) Investment Branch, Attn: Investment Operations, at telephone number (916) 229-4683, E-mail address investmentoperations@calstrs.com, and Mail Stop 04 for questions related to invoices/payments.

- d) Correspondence may be addressed to the California State Teachers' Retirement System, 7667 Folsom Blvd., Mail Stop (number above), Sacramento, CA 95826-2614 or PO Box 15275, Sacramento, CA 95851-0275.
- e) Any notices to be given shall be in writing and served to CalSTRS either personally or delivered by mail to the address listed above, including:

Jack Ehnes, Chief Executive Officer
Executive Office
Mail Stop 01

and

Christopher J. Ailman, Chief Investment Officer
Investment Branch
Mail Stop 04

D. TERM

The term of this Agreement shall be from XX/XX/XXXX or upon final authorized signature of both parties, whichever occurs later, through XX/XX/XXXX.

E. FEES

- 1. The total amount of this Agreement shall not exceed \$, unless amended in writing and signed by the CalSTRS' Accounting Officer.
- 2. Fees shall be calculated as .

F. BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- a) For services satisfactorily rendered, and upon receipt and approval of the invoices, CalSTRS agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified above.
- b) Invoices shall be submitted in triplicate not more frequently than quarterly in arrears to:

Investments Branch MS 04
California State Teachers' Retirement System
PO Box 163749
Sacramento, CA 95816-3749

- c) Invoice(s) must include: 1) CalSTRS' Agreement Number, 2) contractor's name, address and telephone number; 3) itemized description of services including detailed cost and date(s) of services, 4) fiscal year in which services were rendered, and 5) total amount of invoice.

2. Budget Contingency Clause

- a) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CalSTRS shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- b) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, CalSTRS shall have the option to either cancel this Agreement with no liability occurring to CalSTRS, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

G. WARRANTIES

- 1. Contractor warrants that it is willing and able to comply with California laws with respect to foreign (non-California) corporations.
- 2. Contractor warrants that it shall maintain a fidelity bond in the amount sufficient to cover any loss to CalSTRS due to any fraudulent or dishonest act on the part of the Contractor or any subcontractor, or any officer, employee or agent thereof and naming CalSTRS as the insured.
- 3. Contractor warrants that it maintains errors and omissions insurance providing a prudent amount of coverage for negligent acts or omissions and that such coverage is applicable to Contractor's actions under the Contract.
- 4. Contractor warrants that it maintains or shall cause to be maintained as "All Risk Coverage" for property damage and business interruption (including computers and their peripheral equipment) subject to policy terms and conditions.
- 5. Contractor warrants that it will not delegate its fiduciary responsibilities under the Contract(s).

6. Contractor warrants that it has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by a government or a governmental authority for acts contemplated by the Contract(s).
7. Contractor warrants that it has implemented and enforces a policy designed to insure that its employees and individuals subject to its control do not engage in illegal insider trading proscribed by federal and state securities laws and regulations
8. Contractor agrees to promptly notify CalSTRS of any changes in Contractor's compliance with the warranties stated herein and agrees to restore the warranties as required by CalSTRS, in the event of a lapse. In the absence of a notice to CalSTRS to the contrary, CalSTRS has the right to rely on the on-going effectiveness of each warranty contained herein.

H. FIDUCIARY RESPONSIBILITY

1. Contractor acknowledges that it is a fiduciary under the agreement with respect to the asset management function, and as a fiduciary it shall discharge each of its duties and exercise each of its powers, with the care, skill, prudence, and diligence under the circumstances that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of any enterprise of like character with like aims.
2. Contractor shall discharge its fiduciary duties hereunder with respect to Fund assets solely in the interest of the members, retirants and beneficiaries of CalSTRS, in accordance with the standards set forth in California Education Code Sections 22250 through 22257, Exhibit B, Fiduciary Standards.

I. GENERAL TERMS AND CONDITIONS

1. Transaction Procedures
 - a) Reporting of all transactions must be conducted according to detailed instructions provided from time to time by CalSTRS Master Custodian.
 - b) Contractor will establish and maintain a computer interface at Contractor's facility with CalSTRS Master Custodian.

2. Timeliness

Time is of the essence in this Agreement.

3. Approval

This Agreement is of no force or effect until signed by both parties. Contractor may not commence performance until approval has been obtained.

4. Amendment

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

5. Taxes

Unless otherwise required by law, CalSTRS is exempt from Federal excise taxes. CalSTRS will only pay for any state or local sales or use taxes on the services rendered or goods supplied to CalSTRS pursuant to this Agreement.

6. Severability

Should any provision(s) of this agreement be declared or found to be illegal, unenforceable, ineffective or void, then each party shall be relieved of any obligations arising in such provision(s); the balance of this agreement, if capable of performance shall remain and continue in full force and effect.

7. Force Majeure

Neither party shall be liable to the other for delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by "Force Majeure." Such causes may include, but are not restricted to, Acts of God or of the public enemy, acts of the State in its sovereign capacity, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes.

8. Nondiscrimination

During the performance of this Agreement, contractor and its subcontractors, as well as their agents and employees, shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including health impairments related to or associated with a diagnosis of cancer for which a person has been rehabilitated or cured), age (40 or over), marital status, and use of family and medical care leave pursuant to federal law. Contractors and subcontractors, as well as their agents and employees, shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

Contractor and subcontractors, as well as their agents and employees, shall comply with the provisions of the Fair Employment and Housing Act (Government Code, section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

9. Assignment

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the CalSTRS in the form of a formal written agreement.

10. Disputes

Any dispute concerning a question of fact arising under the terms of this Agreement which is not disposed of within a reasonable period of time by Contractor and CalSTRS employees normally responsible for the administration of this Agreement shall be brought to the attention of the Executive Officer (or designated representative) of each organization for joint resolution. At the request of either party, CalSTRS shall provide a forum for the discussion of the disputed item(s), at which time a third party, mutually agreed upon by the parties to this Agreement, shall be requested to assist in the resolution of the dispute. If agreement cannot be reached through the application of high level management attention, either party may assert its other rights and remedies within this Agreement or within a court of competent jurisdiction.

CalSTRS and Contractor agree that, the existence of a dispute notwithstanding, they will continue without delay to carry out all their responsibilities under this Agreement which are not affected by the dispute.

11. Confidentiality

Contractor, in course of its duties, may handle investment, financial, accounting statistical, personal, technical and other data and information relating to CalSTRS and its members. All such information is confidential, and, unless permitted by CalSTRS in writing, Contractor shall not disclose such information, directly or indirectly, or use it in any way, either during the term of the agreement or any time thereafter, except as required to perform its duties under this agreement. Any disclosure of information contrary to this provision shall be considered a material breach of this agreement.

Contractor warrants that only those who are authorized and required to such materials will have access to them.

12. Contractor Employee Relationship

Contractor understands and acknowledges that the personnel provided to CalSTRS under this agreement are the employees of the Contractor or Independent Contractors who have a contractual relationship with the Contractor. Contractor agrees to indemnify, defend and hold harmless CalSTRS from any and all claims made against it including, but not limited to, claims for salaries, liability for tax withholding, workers' compensation, disability or miscellaneous employment benefits, whether based on tort, contract or other theories of recovery arising out of injury, disability, or death of Contractors' employees or Independent Contractors.

Contractor shall perform a background investigation on all contract employees working for CalSTRS under this contract. Contractor's background investigation shall consist of the components prescribed in CalSTRS' Contractor Background Investigation Policy (Exhibit #). Compliance with CalSTRS' Contractor Background Investigation Policy must be affirmed with submission of Certification of Contractor's Employee Background Investigation Form (Exhibit #) for each contract employee providing services to CalSTRS under this contract. Further, all contract employees must submit to CalSTRS the Personal History Statement (Exhibit #) identifying any relatives of the contract employee that are CalSTRS members, beneficiaries, or employees.

13. Titles/Section Headings

Titles or headings are not part of this Agreement, are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

14. Choice of Law

This Agreement shall be administered, construed, and enforced according to the laws of the State of California (without regard to any conflict of laws provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder (including any action to compel arbitration or to enforce any award or judgment rendered thereby) shall be brought in the state or federal courts sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

15. Independent Contractor

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of CalSTRS or the State of California.

16. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. Unenforceable Provision

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. Entire Agreement

This agreement contains all representations and the entire understanding between the parties with respect to the subject matter herein. If applicable, the competitive process as it may have been amended and clarified by CalSTRS prior to the award of this agreement as well as the Contractor's proposal/bid shall be considered part of this contract. However, in the event a conflict in interpretation arises, the contract document shall prevail. Any correspondence, memoranda or agreements shall be replaced in total by this agreement.

19. Knowledge Transfer

Where appropriate, Contractor's obligations under the terms of this contract include a "knowledge transfer" to CalSTRS. "Knowledge transfer" is defined as that personal and/or technical knowledge or information which will enable, or enhance the ability of, CalSTRS staff to maintain and operate contracted-for programs, equipment and facilities.

If the Contract includes the purchase of equipment, "knowledge transfer" shall also include education and training, including all relevant documentation, to enable CalSTRS to maintain the equipment based on Contractor's methodology. The Contractor agrees that CalSTRS may reproduce such documentation for its own use in maintaining the equipment.

Any additional training or instruction necessary to realize the "knowledge transfer" shall be provided at no additional cost to CalSTRS.

20. Governing Law

This agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

21. Termination

This contract may be terminated by either party, upon written notification in a manner as set forth in Section C, 2, e). CalSTRS will pay contractor its fees on a prorata basis for services performed through the date of termination.

J. AFFIRMATIVE COVENANTS

1. Permits and Licenses

Contractor shall carry out its duties and responsibilities herein in accordance with, be limited in the exercise of its rights by, and observe and comply with, all federal, state, city and county laws, rules or regulations affecting services under this Agreement. Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the work contemplated in this Agreement.

2. Reports and/or Meetings

- a) Contractor shall provide oral or written progress reports as requested by CalSTRS to determine if Contractor is performing to expectations or is on schedule, to provide communication of interim findings, and to afford occasions for discussing and resolving problems encountered.
- b) Contractor shall meet with CalSTRS' staff and/or the Board upon request to discuss progress on the Agreement or to present findings, conclusions and recommendations.
- c) Without limiting the foregoing, Contractor agrees to keep accurate and detailed accounts of all investments, receipts, disbursements, and other transactions on the accounts. Contractor agrees to verify and reconcile all transaction activity daily with reports generated by CalSTRS' Master Custodian and promptly resolve any discrepancy. Contractor agrees to verify and reconcile monthly internally generated by CalSTRS' Master Custodian. Contractor agrees to promptly resolve any disputes on transactions, valuations, and accruals.

3. Audit

- a) During and for three years after the term of this Agreement, Contractor shall permit the Bureau of State Audits, CalSTRS, and its authorized representatives, and such consultants and specialists as needed, at all reasonable times during normal business hours to inspect and copy, at the expense of CalSTRS, books and records of Contractor relating to its performance of this Agreement.

- b) Contractor shall be subject to examination and audit by the Bureau of State Audits, CalSTRS, and CalSTRS' representatives during the term of this Agreement and for three years after final payment under this Agreement. Any examination or audit shall be confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Contractor shall cooperate fully with the Bureau of State Audits, CalSTRS, and/or CalSTRS' authorized representatives in connection with any examination or audit. All adjustments, payments, and/or reimbursements determined to be necessary by any examination or audit shall be made promptly by the appropriate party.

4. Additional Documents

Contractor and CalSTRS agree to execute such additional documents, and perform such further acts, as may be reasonable and necessary to carry out the provisions of this Agreement.

5. Disabled Veteran Business Enterprise (DVBE) Participation Requirements

The California Public Contract Code (PCC) Section 10115 et seq. requires a participation goal of three (3%) percent DVBE for contracts awarded by CalSTRS. This goal applies to the total contract dollars expended by CalSTRS annually.

The Teachers' Retirement Board has adopted a policy that directs staff to encourage, promote, and facilitate the fullest possible participation by Disabled Veteran Business Enterprise (DVBE) in contracts awarded by CalSTRS. In accordance with this policy, CalSTRS encourages its contractors to seek opportunities, to do business with DVBE firms.

In compliance with the statutory requirements and with respect to the execution of this Agreement:

- a) Contractor agrees that, as a Contractor of CalSTRS, it will meet the requirements of the Board's policies regarding the 3% disabled veteran business enterprise (DVBE) participation goal.
- b) Contractor, in contracting for goods and services pursuant to this Agreement, shall make good faith efforts to comply with the Board's objectives and policy regarding DVBE participation. Contractor shall report such efforts and the level of participation by DVBEs to CalSTRS in the format prescribed by CalSTRS.
- c) Nothing shall be construed to authorize any contractor to discriminate in the solicitation or acceptance of bids for subcontracting, or for materials or equipment, on the basis of race, color, sex, ethnic origin or ancestry.

- d) Contractor agrees to provide CalSTRS or its delegate with any information reasonably necessary to comply with the obligations set forth in the applicable provisions of PCC sections 10115, et seq. Upon reasonable notice, Contractor shall permit CalSTRS or its delegate access to its premises during normal business hours to interview employees and to inspect and copy books, records, accounts, and other materials for the purpose of determining compliance with the applicable provisions of PCC sections 10115, et seq. and Title 2, California Code of Regulations, sections 1896.60, et seq. Contractor agrees to maintain such records for a period of three (3) years after final payment under this Agreement. Contractor further agrees to make this paragraph applicable to all subcontracts entered into hereunder.

6. Reportable Interests

Contractor shall not directly or indirectly receive any benefit from recommendations made to CalSTRS and shall disclose to CalSTRS any personal investment or economic interest of Contractor which may be enhanced by the recommendations made to CalSTRS. Contractor acknowledges that the System is subject to the provisions of the Fair Political Practices laws of California (Government Code section 81000, et seq., and all regulations adopted thereunder, including, but not limited to, Title 2, California Code of Regulations, section 18700) and Contractor shall comply promptly with any requirement thereunder. If required by law, Contractor shall require its Authorized/Key personnel named [in response to Section (), in the Request for Proposal] and all later substitutions therefore to file Statements of Economic Interests in compliance with CalSTRS' Conflict of Interest Code (Title 5, California Code of Regulations, section 22000 et seq.) All such reports shall be filed simultaneously with the Staff.

7. Authorized/Key Personnel

- a) Exhibit X, Company Name's Authorized/Key Personnel, names certain members (authorized/key individuals who perform scope services under this agreement) of Contractor's staff who will exercise a significant role under this Agreement. These personnel shall be hereafter referred to (both individually and collectively) as "Authorized/Key Personnel".
- b) Contractor shall not substitute, replace or reassign Authorized/Key Personnel without CalSTRS' prior approval. However, with CalSTRS' prior approval, the parties may agree in writing to a change in these Authorized/Key Personnel, which writing shall become a part of this Agreement.
- c) This Agreement may be terminated immediately, in CalSTRS' sole discretion and upon written notice from CalSTRS to Contractor, because of any change in or departure of Contractor's Authorized/Key Personnel.

8. Changes in Control, Organization or Authorized/Key Personnel

Contractor shall promptly, and in any case within five (5) calendar days, notify CalSTRS in writing: (i) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; (ii) of any change in Contractor's staff who exercise a significant administrative, policy, or consulting role under this Agreement, including without limitation the Authorized/Key Personnel; (iii) of any change in the majority ownership, control, or business structure of Contractor; or (iv) of any other material change in Contractor's business, partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit CalSTRS to evaluate the changes within Contractor's personnel or organization under the same criteria as was used by CalSTRS in its award of this Agreement to Contractor. Contractor agrees to provide CalSTRS with such additional information as CalSTRS may request.

9. Indemnification

Contractor agrees to indemnify, defend and save harmless the State of California, CalSTRS, the CalSTRS Teachers' Retirement Board, the California State Teachers' Retirement Fund, and all of the officers, trustees, agents and employees of the foregoing, from and against any and all losses, costs, liabilities, damages or deficiencies, including interest, penalties and attorneys' fees, which (i) arise out of or are due to a breach by Contractor of any of its representations, warranties, covenants or other obligations contained in this Agreement, or (ii) are caused by or resulting from Contractor's acts or omissions constituting bad faith, willful misfeasance, negligence or reckless disregard of its duties under this Agreement, or (iii) accrue or result to any of Contractor's subcontractors, materialmen, laborers or any other person, firm or corporation furnishing or supplying services, material or supplies in connection with the performance of this Agreement.

10. Compliance with Statutes and Regulations

Contractor warrants and certifies that in the performance of this contract, it will comply with all applicable statutes, rules, regulations and orders of the United States and the State of California and agrees to indemnify the State against any loss, cost, damage or liability by reason of contractor's violation of this provision.

11. Subcontractors

- a) Contractor shall perform the work contemplated with resources available within its own organization. No other portion of the work pertinent to this Agreement shall be subcontracted without written authorization by CalSTRS. The subcontractor must be mutually agreed upon in advance by both parties.
- b) Contractor shall require any subcontractor agree to be bound by all provisions, of this Agreement as applicable.

12. Notice of Proceedings

Contractor shall promptly notify CalSTRS in writing of any investigation, examination or other proceeding involving Contractor, or any Authorized/Key Personnel, commenced by any regulatory agency which proceeding is not conducted in the ordinary course of Contractor's business.

K. NEGATIVE COVENANTS

1. Publicity

No publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by CalSTRS.

2. Services or Procurement Resulting from Agreement

Neither Contractor, nor any of its subsidiaries, officers or directors, may submit a bid or be awarded a contract for the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed appropriate in the advice or recommendations that Contractor provides under this Agreement.

L. CONTRACTOR CERTIFICATION CLAUSES

1. Statement of Compliance – Nondiscrimination

Contractor's signature affixed hereon and dated shall constitute a certification under the penalty of perjury under the laws of the State of California that Contractor has, unless exempted, complied with the nondiscrimination program requirements of Government Code section 12990 (a-f) and Title 2, California Code of Regulations, section 8103 et seq.

2. Americans with Disabilities Act

By signing this Agreement, Contractor assures CalSTRS that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

3. National Labor Relations Board Certification

Contractor, by signature hereto, does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court which orders Contractor to comply with an order of the National Labor Relations Board.

4. Labor Code/Workers' Compensation

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions within the Labor Code Section 3700, and Contractor affirms to comply with such provisions, before commencing the performance of the work of this Agreement.

5. Drug-Free Workplace

Contractor will comply with the requirements of Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b) Establish a Drug-Free Awareness Program to inform employees about:
 - 1) The dangers of drug abuse in the workplace;
 - 2) The person's or organization's policy of maintaining a drug-free workplace;
 - 3) Any available counseling, rehabilitation and employee assistance programs; and,
 - 4) Penalties that may be imposed upon employees for drug abuse violations.
- c) Every employee who works on the proposed Agreement will:
 - 1) Receive a copy of the company's drug-free policy statement; and,
 - 2) Agree to abide by the terms of the company's statements as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: (1) the Contractor has made false certification, or (2)

violated the certification by failing to carry out the requirements as noted above.
(Government Code Section 8350 et seq.)

6. Contractor Name Change

An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

7. Corporate Qualifications To Do Business in California

- a) When agreements are to be performed in the state by corporations, CalSTRS will verify that the Contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
- b) "Doing Business" is defined in the Revenue & Taxation Code Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.
- c) Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. CalSTRS will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

8. Resolution

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local government body which by law has authority to enter into an agreement, authorizing execution of this agreement.

9. Payee Data Record Standard Form 204

This form must be completed by all contractors that are not another state agency or other governmental entity.

10. Conflict of Interest

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has questions on the status of any person rendering services or involved with the Agreement, CalSTRS must be contacted immediately for clarification.

Current State Employees (PCC 10410):

- a) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- b) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (PCC 10411):

- a) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- b) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (PCC 10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (PCC 10430 (e))

11. Recycling

The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code 12205).

12. Air or Water Pollution Violation

Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air

pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

13. Expatriate Corporations

Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Sections 10286 and 10286.1, and is eligible to contract with the State of California.

14. Sweatfree Code of Conduct

- a) All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.
- b) The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

15. Domestic Partners

For contracts executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

M. SPECIAL TERMS AND CONDITIONS

1. Evaluation of Contractor

Pursuant to Public Contract Code section 10369, the Staff shall evaluate Contractor's performance under the terms and conditions of this Agreement within sixty (60) days

after the completion of Contractor's performance under this Agreement. If the evaluation indicates unsatisfactory performance, a copy will be sent to the Department of General Services, the Office of Legal Services and to Contractor who may file a response to the evaluation. The evaluation and response shall remain on file for thirty-six (36) months and shall not be public records.

2. Disclosure of Campaign Contributions, Disclosure and Limits on Charitable Contributions, and Gifts

a) Policy

Section 600 H of the Teachers Retirement Board Policy Manual set forth policies requiring entities engaging in business with CalSTRS to disclose campaign contributions in excess of \$250, prohibits providing charitable contributions in excess of \$250, and gifts in excess of \$390, as well as requiring the periodic disclosure of campaign contributions, charitable contributions, and gifts. A copy of the current policy is attached as Exhibit X.

b) Application of Policy to Contractor

This policy applies to all Contractors having a business relationship or seeking a business relationship with CalSTRS or to any business relationship that is considered by the Teachers Retirement Board in a closed session meeting.

c) Disclosure of Campaign Contributions

Contractor and each of its Authorized/Key Personnel, Exhibit X shall disclose campaign contributions, as defined by the Political Reform Act, valued in excess of \$250, made to or on behalf of any existing Teachers Retirement Board member, candidates for Board member, Controller, Treasurer, and Superintendent of Public Instruction, and to any CalSTRS officer or employee. If the business with CalSTRS generates at least \$100,000 annual revenue, disclosure of campaign contributions made to the Governor or to a candidate for the governorship must also be made, according to CalSTRS' campaign contribution regulations in Title 5, California Code of Regulations section 24010.

d) Charitable Contributions

1) Limit on Charitable Contributions

Contractor and each of its Authorized/Key Personnel shall not provide any charitable contribution, as defined by the Political Reform Act, in excess of \$250, individually or in the aggregate in any calendar year, directly to or at the request of any Teachers Retirement Board member, or CalSTRS officer or employee.

2) Disclosure of Charitable Contributions

Contractor and each of its Authorized/Key Personnel shall disclose charitable contribution, as defined by the Political Reform Act, valued in excess of \$50, made to or at the request of any Teachers Retirement Board member, or CalSTRS officer or employee.

e) Gifts

1) Limit on Gifts

Contractor and each of its Authorized/Key Personnel shall not provide any gifts, as defined by the Political Reform Act, in excess of \$390, individually or in the aggregate in any calendar year, to any Teachers Retirement Board member, or CalSTRS officer or employee.

2) Disclosure of Gifts

Contractor and each of its Authorized/Key Personnel shall disclose gifts, as defined by the Political Reform Act, valued in excess of \$50, made to or at the request of any Teachers Retirement Board member, or CalSTRS officer or employee.

f) Submission of Disclosures

Contractor and each of its Authorized/Key Personnel shall, with the offering of this contract for execution and annually thereafter, submit disclosures of contributions and gifts described in this section on a form prescribed by CalSTRS. The current disclosure form required to be submitted with the signing of the contract is attached as Exhibit X. Annual disclosures shall be due by April 1st of each year and forms will be provided to Contractor and its personnel by CalSTRS.

g) Violation of Policy by Contractor

Violations of any of the provisions of this section may, at the discretion of CalSTRS, subject the Contractor to disqualification from doing future or additional business with CalSTRS for a period of two (2) years.

h) Changes in Laws or Policy

CalSTRS reserves the right to amend, upon prior written notice, the above provisions to conform with any subsequent amendments to the political reform laws and CalSTRS policies. Contractor shall have the right to terminate the

Contract upon 30 days written notice should it deem any such amendment unacceptable.

3. Investment Relationships and Campaign Contributions

- a) Effective November 28, 2007, the Teachers' Retirement Board (TRB) adopted regulations that place limits on the amount of campaign contributions that can be made to TRB Board members, candidates for specified offices, the appointing authority of TRB members, and any CalSTRS officer or employee. These campaign contribution limits apply to investment firms that are engaged in, or are seeking to engage in, an investment relationship with CalSTRS.
- b) In summary the regulations do the following:
 - 1) The limitation applies to investment relationships generating at least \$100,000 income, fees or other revenue annually;
 - 2) The purview of the regulations encompasses designated financially interested individuals associated with the investment transaction, firm, or entity;
 - 3) The regulations require TRB member recipients of contributions over the limit to recuse themselves from decision making involving the donors; and
 - 4) Subjects donors violating the limits to disqualification from doing new or future business with CalSTRS for two years.
- c) Contractor as an investment firm currently seeking to engage or engaged in an investment relationship with CalSTRS generating at least \$100,000 in income, fees, or other revenues from such relationship, is subject to these regulations, a copy of which is attached as Exhibit C. The regulations can also be found on the CalSTRS website at: www.calstrs.com.

4. Child Support Compliance Act

For any contract in excess of \$100,000, the contractor acknowledges in accordance there with, that:

- a) The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b) The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new

employees to the New Hire Registry maintained by the California Employment Development Department.

5. Priority Hiring Considerations

If this contract is for services in excess of \$200,000, the contractor shall give priority consideration in filling vacancies in positions funded by the contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with PCC Section 10353.

6. Liability for Injury to Persons or Damage to Property

- a) The Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of CalSTRS, employees of CalSTRS, or any other person(s) other than agents or employees of the Contractor, designated by CalSTRS for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the goods and/or services either at the Contractor's site or at CalSTRS place of business, provided that the injury or damage was caused by the fault or negligence of the Contractor.
- b) Contractor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by the Contractor, or for damage to alterations or attachments that may result from the normal operation and maintenance of the Contractor's equipment.

7. Limitation of Actions

No action, regardless of form, arising out of this Agreement may be brought by either party more than two (2) years after the cause of action has arisen, or in the case of nonpayment, more than two (2) years from the date of the last payment, except where either party (within two years after a cause of action has arisen) provides the other party in writing a notice of a potential cause of action, disclosing all material facts then known by the notifying party concerning such cause of action, then the notifying party may bring an action based on the matter so disclosed at any time prior to the expiration of four (4) years from the time the cause of action arose.

8. Written Commitments

Any written commitment by the Contractor relative to the services herein shall be binding upon the Contractor. Failure of the Contractor to fulfill any such commitment shall render the Contractor liable for damages due to CalSTRS. Such written commitments include, but is not limited to 1) any warranty or representation made by the Contractor in any publication, drawings, or specifications accompanying or referred to in the proposal which pertains to the responsiveness of the proposal to the Request for Proposal, and 2) any written notification of or affirmation or representation as to the

above which is made by the Contractor in or during the course of negotiations and which is incorporated into a formal amendment to the proposal.

9. Antitrust Claims

The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

- a) The Government Code Chapter on Antitrust claims contains the following definitions:
 - 1) “Public purchase” means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 - 2) “Public Purchasing body” means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
- b) In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.
- c) If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
- d) Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (1) the assignee has not been injured thereby, or (2) the assignee declines to file a court action for the cause of action. Government Code Section 4554.

MASTER LIST OF ASSETS AND PROPERTIES

PROPERTY TYPE (Primary Property Type if mixed-use)	# Assets	# Properties	City	State (USA Only)	Zip/Postal Code	Metro Area	Size of Property (Primary Property if Mixed-Use)	Unit of Measurement (Primary)	# of Tenants	Primary Property Occupancy (%)	Year Built
Apartment	1	1	Edgewater	New Jersey	07020	Edgewater	110	Units	N/A	97.60%	1998
Apartment	1	1	Santa Monica	California	90404	Santa Monica	350	Units	N/A	81.30%	2001
Apartment	1	1	College Park	Maryland	20740	College Park	300	Units	N/A	89.90%	1998
Apartment	1	1	New York	NY	38245		95	Units	N/A		
Apartment	1	1	White Plains	NY	38307		124	Units	N/A		
Apartment	1	1	Washington, DC	DC	38489		141	Units	N/A		
Apartment	1	1	Philadelphia	PA	38687		81	Units	N/A		
Office	1	1	Oakland	California	94612	Oakland	273,355	Square Feet	33	79.24%	1982
Office	1	1	Chelmsford	Maine	01824	Boston	144,375	Square Feet	0	0.00%	1989
Office	1	1	Beverly Hills	California	90212	Los Angeles	159,441	Square Feet	49	91.42%	1972
Industrial	1	1	Libertyville	Illinois	60048	Chicago	505,208	Square Feet	3	78.19%	1999
Industrial	1	1	Carol Stream	Illinois	60188						
Office	1	1	Minneapolis	Minnesota	55402	Minneapolis	621,193	Square Feet	26	80.28%	1987
Industrial	1	1	Cerritos	California	90703	Los Angeles	161,517	Square Feet	1	100.00%	1974
Office	1	1	Fort Lauderdale	Florida	33308	Fort Lauderdale	261,676	Square Feet	40	81.51%	1983
Office	1	3	Billerica	Maine	01821	Boston	353,242	Square Feet	13	88.47%	1998
Office	1	1	Dallas	Texas	75201	Dallas	1,113,575	Square Feet	51	77.19%	1984
Office	1	2	Los Angeles	California	90067	Los Angeles	552,900	Square Feet	18	80.98%	1970
Office	1	1	Atlanta	Georgia	30315	Atlanta	625,071	Square Feet	29	78.40%	1986
Industrial	1	1	Rancho Dominguez	California	90222	Los Angeles	150,000	Square Feet	1	100.00%	1979
Office	1	1	Walnut Creek	California	94597	Oakland	249,455	Square Feet	15	78.19%	1987
Office	1	1	Atlanta	Georgia	30309	Atlanta	410,357	Square Feet	12	89.65%	1960
Industrial	1	6	Rancho Dominguez	California	90220	Los Angeles	1,166,749	Square Feet	30	99.26%	1988
Industrial	1	1	Santa Fe Springs	California	90670	Los Angeles	337,148	Square Feet	15	100.00%	1985

MASTER LIST OF ASSETS AND PROPERTIES

PROPERTY TYPE (Primary Property Type if mixed-use)	# Assets	# Properties	City	State (USA Only)	Zip/Postal Code	Metro Area	Size of Property (Primary Property if Mixed-Use)	Unit of Measurement (Primary)	# of Tenants	Primary Property Occupancy (%)	Year Built
Office	1	1	Los Angeles	California	90024	Los Angeles	143,377	Square Feet	51	90.15%	1973
Office	1	1	Vienna	Virginia	22182	Washington	346,618	Square Feet	23	81.32%	1987
Office	1	1	Los Angeles	California	90025	Los Angeles	317,052	Square Feet	41	98.55%	1986
Industrial	1	1	Taunton	Maine	02780	Boston	300,000	Square Feet	1	100.00%	1987
Office	1	1	Taunton	Maine	2780	Boston	139,500	Square Feet	1	100.00%	1985
Office	1	1	Franklin	Maine	2038	Boston	247,084	Square Feet	1	100.00%	1981
Industrial	1	1	Hauppauge	New York	11788	Nassau-Suffolk	75,000	Square Feet	1	100.00%	1985
Office	1	1	Thorofare	New Jersey	08086	Philadelphia	104,000	Square Feet	1	100.00%	1994
Industrial	1	1	Belinawr	New Jersey	8031	Philadelphia	62,236	Square Feet	1	100.00%	1994
Industrial	1	1	Miramar	Florida	33025	Fort Lauderdale	63,092	Square Feet	1	100.00%	1994
Office	1	1	Lake Mary	Florida	32746	Orlando	157,358	Square Feet	1	100.00%	1997
Industrial	1	1	Greenfield	Indiana	46140	Indianapolis	115,557	Square Feet	0	0.00%	1995
Office	1	1	Springdale	Ohio	45246	Cincinnati	41,930	Square Feet	0	0.00%	1997
Office	1	1	El Paso	Texas	79906	Other	100,240	Square Feet	1	100.00%	1984
Office	1	1	The Woodlands	Texas	77380	Houston	145,880	Square Feet	2	100.00%	1980
Office	1	1	Denver	Colorado	80237	Denver	263,716	Square Feet	27	79.97%	1985
Office	1	1	Denver	Colorado	80237	Denver	150,673	Square Feet	7	92.37%	1999
Office	1	1	Greenwood Village	Colorado	80111	Denver	115,408	Square Feet	10	78.56%	1982

MASTER LIST OF ASSETS AND PROPERTIES

PROPERTY TYPE (Primary Property Type if mixed-use)	# Assets	# Properties	City	State (USA Only)	Zip/Postal Code	Metro Area	Size of Property (Primary Property if Mixed-Use)	Unit of Measurement (Primary)	# of Tenants	Primary Property Occupancy (%)	Year Built
Office	1	1	Greenwood Village	colorado	80111	Denver	317,218	Square Feet	42	79.23%	1985
Office	1	1	Greenwood Village	colorado	80111	Denver	330,514	Square Feet	1	100.00%	1982
Office	1	1	Denver	colorado	80237	Denver	62,633	Square Feet	8	70.37%	1982
Office	1	2	Charlotte	North Carolina	28210	Charlotte	524,395	Square Feet	93	91.66%	1998
Retail	1	1	Cohasset	Massachusetts	2025	Boston	71,210	Square Feet	8	100.00%	1997
Retail	1	1	Easton	Massachusetts	2356	Boston	104,923	Square Feet	8	96.56%	1984
Retail	1	1	Hanover	Massachusetts	2339	Boston	57,181	Square Feet	1	100.00%	1994
Retail	1	1	N. Windham	Maine	4062	Other	124,330	Square Feet	9	100.00%	1993
Retail	1	1	Plymouth	Massachusetts	2360	Boston	59,766	Square Feet	1	100.00%	1994
Retail	1	1	Waltham	Massachusetts	2451	Boston	45,882	Square Feet	1	100.00%	1950
Retail	1	1	Warrwick	Massachusetts	2886	Other	76,835	Square Feet	2	100.00%	1993
Retail	1	1	Waterville	Maine	4901	Other	119,015	Square Feet	9	92.00%	1989
Retail	1	1	Woodlands	Texas	77380	Houston	370,636	Square Feet	19	84.05%	1994
Retail	1	1	Woodlands	Texas	77380	Houston	210,939	Square Feet	34	87.84%	1977
Retail	1	1	Hodgkins	Illinois	60525	Chicago	510,232	Square Feet	18	85.08%	1993
Office	1	1	Portland	Oregon	97201	Portland	96,286	Square Feet	1	100.00%	1995
Office	1	1	Reston	Virginia	20191	Washington	244,505	Square Feet	13	90.80%	1999
Office	1	1	Centennial	Colorado	80112	Denver	98,376	Square Feet	6	100.00%	1998
Office	1	1	Centennial	Colorado	80112	Denver	98,140	Square Feet	3	87.82%	1999
Office	1	1	Centennial	Colorado	80112	Denver	169,469	Square Feet	13	67.43%	2000
Office	1	1	Centennial	Colorado	80112	Denver	167,915	Square Feet	1	100.00%	2001
Office	1	1	Framingham	Massachusetts	1702	Boston	150,854	Square Feet	1	100.00%	1999
Office	1	1	Framingham	Massachusetts	1702	Boston	3,742	Square Feet	1	100.00%	1999
Office	1	1	Arlington	Virginia	22202	Washington	503,776	Square Feet	1	100.00%	1987
Office	1	1	Newport Beach	California	92660-6309	Los Angeles	279,474	Square Feet		96.83%	1982

MASTER LIST OF ASSETS AND PROPERTIES

PROPERTY TYPE (Primary Property Type if mixed-use)	# Assets	# Properties	City	State (USA Only)	Zip/Postal Code	Metro Area	Size of Property if (Primary Property if Mixed-Use)	Unit of Measurement (Primary)	# of Tenants	Primary Property Occupancy (%)	Year Built
Office	1	1	Philadelphia	Pennsylvania	19103-2968	Philadelphia	666,503	Square Feet		86.15%	1986
Office	1	1	Los Angeles	California	90017-4612	Los Angeles	242,176	Square Feet		97.34%	1985
Industrial	1	1	Carrollton	TX	75007		90,691	Square Feet	4		
Industrial		1	Carrollton	TX	75007		132,396	Square Feet	2		
Industrial		1	Carrollton	TX	75007		252,756	Square Feet	1		
Industrial		1	Carrollton	TX	75007		86,400	Square Feet	2		
Industrial		1	Carrollton	TX	75007		187,424	Square Feet	1		
Industrial	1	1	Brisbane	CA	94005		50,166	Square Feet	1		
Industrial		1	Brisbane	CA	94005		83,981	Square Feet	1		
Industrial		1	Brisbane	CA	94005		70,335	Square Feet	1		
Industrial		1	Brisbane	CA	94005		89,200	Square Feet	1		
Industrial		1	Brisbane	CA	94005		79,554	Square Feet	2		
Industrial		1	Brisbane	CA	94005		106,234	Square Feet	1		
Industrial		1	Brisbane	CA	94005		88,100	Square Feet	1		
Industrial		1	Brisbane	CA	94005		63,775	Square Feet	1		
Industrial		1	Brisbane	CA	94005		219,200	Square Feet	1		
Industrial		1	Brisbane	CA	94005		35,915	Square Feet	0		
Industrial		1	Brisbane	CA	94005		56,512	Square Feet	1		
Industrial	1	1	San Jose	CA	95125		139,640	Square Feet	8		
Industrial		1	San Jose	CA	95125		40,200	Square Feet	5		
Industrial		1	San Jose	CA	95125		53,220	Square Feet	2		
Industrial		1	San Jose	CA	95125		43,687	Square Feet	3		
Industrial	1	1	Sunnyvale	CA	94085		54,934	Square Feet	0		
Industrial		1	Sunnyvale	CA	94085		58,140	Square Feet	1		
Office	1	1	Sacramento	CA			409,000	Square Feet	1		
Industrial	1	1	Seattle	WA	98107		85,400	Square Feet	4		
Industrial		1	Seattle	WA	98107		55,700	Square Feet	2		
Industrial		1	Seattle	WA	98107		104,900	Square Feet	3		
Industrial		1	Seattle	WA	98107		36,544	Square Feet	2		
Industrial		1	Seattle	WA	98107		22,320	Square Feet	4		
Industrial		1	Seattle	WA	98107		22,780	Square Feet	1		
Industrial		1	Seattle	WA	98107		9,190	Square Feet	3		
Industrial		1	Seattle	WA	98107		93,020	Square Feet	5		
Industrial		1	Seattle	WA	98107		30,800	Square Feet	2		
Industrial		1	Seattle	WA	98107		35,000	Square Feet	1		
Industrial		1	Seattle	WA	98107		106,001	Square Feet	1		

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