

**State of Rhode Island
Office of the General Treasurer**



Frank T. Caprio
General Treasurer

Request for Quotation

Short Term Investment Software Solution

Monday, August 18, 2008

Overview:

The Office of the General Treasurer (“OGT”) is seeking to purchase a Short Term Investment Software Solution. Bidders are requested to provide quotations/proposals that include the software license, installation services, annual support/maintenance and training services. Costs for post-installation support, data conversion (one fiscal year plus YTD data) from the State’s existing investment system, documentation, and configuration services should be included.

Background:

The OGT manages an investment portfolio for the operating cash and bond proceeds of the State. This portfolio generally contains cash and investments totaling \$300 to \$600 million dollars. OGT makes investments according to guidelines established by the State Investment Commission (“SIC”). These guidelines permit the OGT to purchase: Commercial Paper, Certificates of Deposit, Discount Notes, Repurchase Agreements, Money Market Securities, and Euro-dollar time deposits.

The duration of these investments are made to match the liquidity needs of the constituent funds. There are approximately 120 to 200 purchase transactions per calendar month.

The OGT prepares a variety of reports on its investment activities. These reports are prepared on a daily, weekly, monthly, quarterly and annual basis. Reports often include: detailed information on portfolio holdings, yield, average duration, maturity schedules, and market values. The OGT is often required to produce ad-hoc reports based on special requests.

The State of Rhode Island has implemented an Oracle solution for accounting/ERP: the “RIFANS” system. The OGT must upload investment transaction information to the RIFANS system.

The OGT currently utilizes the “si50” investment management system. This is a legacy system running on an IBM z-series mainframe. While the system’s reporting capabilities are very limited, data exports in comma delimited formats are available.

The OGT currently uses Windows XP-based desktop PCs, running in a Windows Server / Active Directory environment. The OGT has an application server running Windows Server 2003 as well as a Microsoft SQL 2005 Server. Both servers have reasonable remaining capacity over their current load/usage. Due to building wiring constraints, the OGT’s network speed is limited to 10mbps.

Operational Requirements:

Prospective vendors are asked to provide documentation that their proposed solution will:

1. Data Entry and Reporting

- 1.1. Provide consolidated reporting on the entire portfolio.
- 1.2. Provide for reporting for multiple “investment portfolios” for investments made by OGT on behalf of constituent funds.
- 1.3. Provide for reporting of individual securities by issuer, broker, trade date, maturity date, security type, and CUSIP.
- 1.4. Provide position reports that allow sorting and filtering on aforementioned variables.
- 1.5. Provide the ability to provide historical position reports.
- 1.6. Provide broker detail report.
- 1.7. Provide a fund detail report.
- 1.8. Produce a daily transaction report that lists all investment transactions for specific date or date range, allowing the user to select the variables included in the report.

2. Provide a variety of calculations:

- 2.1. Provide the ability to calculate interest payments for securities when payments are made after the accrual period.
- 2.2. Calculate an earnings accrual for a user-specified period of time/date range.
- 2.3. Compute daily and/or monthly interest accruals.

3. Compliance

- 3.1. Provide reporting and controls to facilitate SIC guideline compliance, i.e.: guidelines limit investments (as a % of total portfolio) in/by/with a given security type, vendor/broker, and issuer.
- 3.2. Provide GASB 31 compliance reporting

4. User Permissions and Technical Support Requirements

- 4.1. Provide license for 3 concurrent users.
- 4.2. Allow users to add new investment instruments/vendors/brokers.
- 4.3. Provide the ability for granular user permissions.
- 4.4. Provide for the ability for OGT staff to administer the system including: create/edit user accounts, funds, vendors, etc.
- 4.5. Provide telephone support from 8am to 5pm, Eastern Standard Time.
- 4.6. Provide simple, yet secure (permission based) method for correcting data entry errors / interest accruals.
- 4.7. Provide an “audit trail” that allows reporting or views or user activity.

5. Data Retention and Export Capabilities

- 5.1. Provide the ability to export General Ledger data to the RIFANS system. Create GL journal entries to reflect investment transaction activity within the portfolio for specific date ranges and specific funds. Entries are to include purchases, sales, maturities, income earned, interest/dividends received, change in value, and other related journal entries to reflect investment transactions.
- 5.2. Provide an ability to highly automate the GL export process to allow for daily updating of the RIFANS system.
- 5.3. Provide the ability to export report data to .csv or .xls file formats.
- 5.4. Provide the ability to archive data for at least 7 years.
- 5.5. Provide the ability to report on/interact with/edit data for the most recent 5 years.

6. Training and Implementation Requirements

- 6.1. Provide on-site training for OGT staff on use of the system.

Implementation Requirements

If the proposed solution requires supplemental hardware/software (i.e.: a new server), please include the cost for that server in the response. Hosted, or “ASP” solutions are not being considered at this time.

The current hardware available to host this solution is:

Dell PowerEdge Server
Dual Xeon 5110 Dual Core Processors
2 GB Ram
Raid 5 HD Array (35 GB free)
Microsoft Windows 2003 Standard Edition Service Pack 2
Microsoft SQL Server 2005

This server currently runs OGT’s Unclaimed Property system. This is the only application running on this server. The number of concurrent users peaks at 9. The server is backed up nightly via BackupExec.

Please propose a time schedule for the implementation of the proposed solution. This should include an estimate of the number of days required for all phases of implementation including training and testing, as well as integration of a GL export to the State’s RIFANS system.

Describe any charges associated with training future personnel or training required to address system upgrades or changes.

Describe any Third-Party software that is required to operate your proposed solution.

Maintenance and Upgrades

Please provide a description of your maintenance and update process and procedures, as well as pricing information on annual support arrangements. Describe the process of installing future releases and updates—who handles the updates, how are they delivered, and whether there are additional fees or charges associated with implementing updates.

Software License Agreement

Please furnish a complete copy of the Software License Agreement

Future Growth

This RFQ is for a system that allows for 3 concurrent users. Please provide pricing information or describe policy related to increasing the number of users should OGT’s needs expand.

Evaluation of Proposed Solutions:

The OGT reserves the right to:

- Reject any and or all quotations.
- Accept any quotation or portion thereof deemed most beneficial to the State.
- Revise the RFQ and issue any necessary addenda. Addenda will be posted to the OGT website at <http://www.treasury.ri.gov>.
- Cancel or re-issue the RFQ in whole or in part.
- Negotiate with respondents
- Award the RFQ based on the overall best business decision for the State, not solely based on the lowest bid.
- Request submission of samples or of proof of prior implementation.

Evaluation Criteria and Selection:

All quotations shall initially be evaluated based on criteria set forth in the table below by a committee of staff members of the Investment division of the OGT. These committee members have direct expertise with the subject matter of the RFQ and could be considered beneficiaries or users of the proposed solution.

EVALUATION CRITERIA	MAXIMUM POINTS
Purchase Price	40
Ability to meet specifications	40
No. of Days for Delivery and Implementaion	20

Respondents are encouraged to provide references and examples of prior product implementations to facilitate the committee's evaluation.



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Deadline for Submission: 10:00 a.m., Friday, September 12, 2008

QUOTATION FORM

Respondent's Name _____

Respondent's Address _____

Respondent's
Representative _____
(Typed & Signature) _____ Date _____

Respondent should send all materials related to this RFQ to:

Office of the General Treasurer
Patrick Marr, 8th Floor
40 Fountain Street
Providence, RI 02903

The deadline for any questions regarding this RFQ is 10:00 AM Thursday, September 4, 2008. Responses will be posted to <http://www.treasury.ri.gov> by 4:00pm, Friday, September 5, 2008.

Questions may be emailed to: pmarr@treasury.ri.gov.

All respondents wishing to be considered **MUST** send a hard copy of their quotation via postal mail. However, respondents are encouraged to email a copy to: pmarr@treasury.ri.gov