

The Firemen's Annuity & Benefit Fund of
Chicago, Illinois

REQUEST FOR PROPOSAL

LEGISLATIVE LIAISON CONSULTING SERVICES

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1) SUMMARY

This Request for Proposal (“RFP”) is being issued by the Retirement Board of Trustees (the “Board” or “Retirement Board”) of the Firemen’s Annuity and Benefit Fund of Chicago (the “FABF” or the “Fund”) to solicit proposals from qualified Respondents (“Bidder” or “Consultant” or “Firm” or “Respondent”), to provide comprehensive legislative services consistent with the legislative agenda as established by the Retirement Board of Trustees. FABF seeks to identify and select a qualified Respondent to provide expert advice and assistance in all aspects of FABF’s legislative program. The Consultant will have no discretionary authority with respect to this program. This document provides information on the scope of the engagement that will help Respondents develop a response to the RFP in the format desired by FABF.

If you are interested in the proposed engagement, we welcome proposals from qualified Respondents. Respondents must satisfy the qualifications and requirements outlined herein. Respondents to this RFP are responsible for monitoring the FABF’s website for information pertaining to the RFP while the RFP is outstanding.

2) AGENCY DESCRIPTION

The FABF was established in 1931 and is governed by Articles 1, 1A and 6 of the Illinois Pension Code (40 ILCS 5/1 et seq.). The Fund was created for the purpose of providing retirement and disability benefits for Chicago fire personnel and paramedics. The survivor and death benefits are provided to qualified spouses, children and parents. As of December 31, 2016, the Fund had 4,760 active members, including those receiving disability benefits, and 4,777 retirees, widows and children beneficiaries.

There is an eight-member Retirement Board of Trustees who administers the Fund. Four of the members of the Board are ex-officio and four are elected by the employee members of the Fund. The four ex-officio members are the City Treasurer of the City of Chicago, the Comptroller of the City of Chicago, the City Clerk of the City of Chicago and an appointed Deputy Fire Commissioner of the Chicago Fire Department. Board members are bound by their fiduciary duty to the Fund and are required to perform their duties solely in the interest of the Fund and its participants pursuant to the Illinois Pension Code.

The Fund receives the majority of its revenue from contributions from the City of Chicago and active participants as well as income from investments to provide the funds necessary to finance payment of retirement and survivor benefits. The level of Member and City contributions are established by state statute. More information regarding the FABF can be found by reviewing its enabling statute at 40 ILCS 5/6 and its website at: <http://www.fabf.org>.

3) SERVICES REQUIRED

The following services are to be provided by the Consultant:

- A. Comprehensive and timely communication with the Executive Director, Fund Legal Counsel, Chair of the Legislative Committee, and Board of Trustees.

- B. Strategic and effective collaboration with other Fund lobbyists, as applicable.
- C. Make contacts, as necessary, to establish identity as the FABF liaison with respect to legislative issues before the General Assembly.
- D. Provide notice of all legislation prepared and/or adopted affecting the FABF as well as general pension issues and provide guidance to the Executive Director, Fund Legal Counsel, Chair of the Legislative Committee and Board of Trustees regarding the same.
- E. Work with stakeholder groups and monitor legislation introduced to determine potential impact on FABF participants, annuitants, beneficiaries, and employers.
- F. Provide designated person(s) at FABF with copies of all legislation related to FABF, retirement systems and pension funds established under the Illinois Pension Code, and any administrative provisions governing the operations of state government agencies (hereinafter "FABF-related legislation"), along with amendments and conference committee reports thereon upon request.
- G. Track FABF-related legislation through committee process, floor action, conference committee, and the Governor's office; and review amendments and conference committee reports on FABF-related legislation, and report on the impact to designated FABF person(s) and the Board.
- H. Advise the Board and Fund staff and participate in developing the Fund's legislative agenda (including drafting legislative proposals, introducing of legislation, and assistance in the development of position or policy papers, as necessary).
- I. Aid in strategic planning for the implementation of items under the FABF legislative agenda.
- J. Keep abreast of State, City of Chicago, and budget issues and advise FABF about the potential impact.
- K. Assist in developing strategies to address FABF underfunding and lead implementation of these strategies.
- L. Meet with the Board, Legislative Committee Chair, and/or Fund staff to discuss legislative matters and present reports, as necessary, though not less than four times per year.
- M. Arrange for FABF personnel to testify before legislative committees, either in person or in written form, brief witnesses in advance and assist in preparation of any written statement.
- N. Appear and/or testify, as necessary, at hearings to promote the Fund's interests

with respect to legislation and/or proceedings proposed or pending before legislative, administrative, and/or executive governmental bodies.

- O. Coordinate visits to Springfield when the General Assembly is in session for Board members and/or Fund staff.
- P. Prepare end-of-session reports, including a review of any FABF-related legislation.
- Q. Review action on legislation during the fall veto session and report on any matters that may impact FABF.
- R. Provide public affairs consulting efforts with key legislative or public officials and their staffs on matters pertaining to the Fund's interests.
- S. Provide the Executive Director, designated Fund staff, Fund Legal Counsel, and the Board of Trustees with guidance on the matters for which legislative information is provided including but not limited to the following:
 - i. Coordinate and contribute to the development of written communications with legislators as part of the comprehensive effort to promote FABF legislative objectives.
 - ii. Coordinate and contribute to the development of written communications with Fund members as part of the comprehensive effort to promote FABF legislative objectives.
 - iii. Provide the Executive Director and Board of Trustees with monthly written reports on all activities including: a listing of legislative items worked on; a listing of legislators and committee staff contacted on behalf of FABF and subject matters addressed; an analysis of progress made in representing FABF's interest during the time period reported on; and analysis the City of Chicago's, and any relevant third party or stakeholder group's position(s) on legislative matters.

4) TIMELINE

RFP Distribution to Respondents – November 1, 2017

Written questions due from Respondents – November 8, 2017

Compilation of questions and answers, and any RFP addenda posted to www.FABF.org – November 14, 2017

RFP Due Date – November 24, 2017

Potential Finalist Presentations before the Board – December, 2017

Announcement of Winning Bid – January, 2018

5) SUBMISSION GUIDELINES

In order to be considered for selection, proposals must be received via email, in PDF format by the Executive Director at steveswanson@FABF.org no later than 12:00 p.m. (CDT), on November 24, 2017. Any proposal received after the November 24, 2017 due date and time will not be considered.

6) PROPOSAL CONTENT

All information requested in the RFP must be addressed in the Respondent's proposal. Failure to satisfy each of the RFP requirements or a failure to provide complete information may result in the rejection of the proposal. Proposals should provide a concise explanation of Respondent's qualifications and the proposed services to be rendered. Emphasis should be placed on completeness and clarity of content.

A. Cover Letter

- a. Briefly state the Respondent's understanding of the work requested, the required time period, and a statement why the Respondent believes it is best qualified to perform the engagement. The letter should be signed by the representative of the Respondent authorized to contract on behalf of Respondent.

B. Title Page

- a. Date
- b. Subject
- c. Respondent's name
- d. Respondent's address
- e. Respondent's phone number
- f. Respondent's fax number
- g. Contact's name
- h. Contact's title
- i. Contact's phone number
- j. Contact's email address

C. Table of Contents

D. Project Plan

- a. Address the various legislative service responsibilities outlined in Section III. Scope of Work and describe the approach that will be taken in performing each function.
- b. Indicate the location from which the work on this engagement will be performed.
- c. Provide a percentage break down of how much of the engagement will be performed on your site, the Fund office, or remotely.
- d. Identify tasks that will be performed by Respondent and tasks that will be performed by Fund staff.

E. Billing

- a. Provide a fee schedule quoted as an annual fee and a monthly fee with a range or estimate of the number of hours for the Scope of Work outlined in Section III. Please note any individual or blended billing rates, as applicable.
- b. State any special considerations with respect to billing or payment of fees and expenses that Respondent offers and that you believe would differentiate you from other proposals and make your Firm's services more cost effective to the Fund. Please indicate whether you would consider providing a discounted rate or shared fee arrangement if you provide similar services to similarly situated public pension funds in Chicago.
- c. FABF expects the lowest rate charged by Respondent for its governmental and non-profit clients. If for any reason Respondent is unwilling or unable to charge the lowest rate, please explain why.
- d. The billing rate will be fixed for the term of this engagement.

F. Firm's Background, Qualifications, and Experience

- a. Briefly describe Respondent's background, history, and ownership structure, including any parent, affiliated or subsidiary company, and any business partners.
- b. Provide the size of the Firm. Identify the key personnel proposed for the FABF engagement, emphasizing specific experience on contracts similar in scope to the requirements of this RFP. Describe his or her biographical information, qualifications, past experience, current position, current responsibilities, areas of expertise, experience--specifically legislative or lobbying experience, education, professional designations, and memberships. Describe specific expertise or knowledge in any of the following areas: pension funds, defined benefit plans, employee benefits, retiree health insurance, and legislative issues. Describe experience managing relationships with legislators or staff, specifically at the state and municipal level.
- c. Provide the number of years that the Firm and any identified individuals have been providing the services requested in this RFP.
- d. Indicate the number and nature of part-time professional staff to be employed in this engagement.
- e. Will your Firm use outside contractors for this engagement? If so, what confidentiality agreement is in place to protect sensitive information from disclosure?
- f. List any professional or personal relationships Respondent or its employees or contractors may have with individual Board members and/or Fund staff.
- g. Identify any potential or actual conflicts of interest you have in providing services to FABF. If so, please state the name of each such client or former client, contact information, and the nature and time frame of such representation. In providing such information you consent to and agree to release FABF from any liability that may result from contacting such client(s) and communicating with such client(s) about your prior engagements, and soliciting an opinion regarding the work performed for such reference. In addition, please state how you intend to resolve any potential or actual conflict of interest.
- h. Identify all public sector clients who have terminated their working relationship with you in the past five (5) years and provide a brief statement of the reason(s) for the termination. Provide each client's contact information. You consent to and hereby release FABF from any liability that may arise from contacting your former client(s)

and communicating with them about the work you performed and the reason for your termination.

- i. Provide a statement certifying Respondent's compliance with the Illinois Lobbyist Registration Act and Respondent's compliance with other relevant Illinois and federal laws and regulations relating to the services detailed herein.

G. Insurance, Liability, Confidentiality, and Litigation

- a. What assurances can you provide that your Firm will not be subject to cyber-attacks? Describe security and protection measures.
- b. Describe your quality assurance procedures.
- c. Please describe the levels of your professional liability insurance coverage for client security breaches (cyber risk) and any fiduciary or professional liability insurance your Firm carries. Is the coverage on a per client basis or is the dollar figure applied to the Firm as a whole? List the insurance carriers.
 - i. What limitation on liability, if any, do you impose through your contract? The Firm must not seek to unreasonably limit their liability for negligence.
 - ii. Are you bonded?
 - iii. Does coverage for liability, due to negligence, continue for a period following termination of the contract? If so, for how long?
 - iv. Amount, type of coverage, deductible, and coinsurance?
- d. What is the organization's policy on confidentiality during and after the engagement?
- e. Has your Firm ever been involved in a lawsuit in the last ten (10) years involving any services provided by the Firm? If so, provide details, including description of the lawsuit, dates, and outcomes.
- f. Has your Firm, related entities, affiliates, principals, and/or officers been a party in any material civil or criminal litigation, or subject to investigation, disciplinary action, or regulatory review, whether or not directly related to services requested by this RFP? If so, provide details, including dates and outcomes.
- g. Describe any anticipated litigation in which your Firm may be involved.

I. References

- a. Please provide three references who are clients for whom you have performed work similar to that requested in this RFP; Particular detail should be provided for any public pension fund clients. Include the reference name, title, company, address, telephone number, and description of the services provided to such clients.
- b. In providing such information, you consent to and hereby release FABF from any liability that may arise from contacting your references and communicating with such references about your prior engagements, and soliciting an opinion regarding the work performed for such reference.

J. Disclosures

- a. The Respondent will disclose in writing (a) any entity that is a parent of, or owns a controlling interest in, the Respondent, (b) any entity that is a subsidiary of, or in which a controlling interest is owned by, the Respondent, (c) any persons who have an ownership or distributive income share in the Respondent that is in excess of seven and one-half percent (7.5%), or (d) serves as an executive officer of the Respondent.

- b. The Respondent will disclose in writing: (a) any direct or indirect payments made by the Respondent, any executive officer of the Respondent, any parent entity, the executive officers of any entity that is a parent of, or owns a controlling interest in, the Respondent, and any Shareholder of the Respondent, in excess of \$1,000 per calendar year within the prior five (5) calendar years and/or formal involvement with any community or not-for-profit organization relating to public education; and (b) any involvement by the Respondent, any executive officer of the Respondent, or by any executive officer of any entity that is a parent of, or owns a controlling interest in, the Respondent, and any Shareholder as a member or director of a charter school that contributes to the Fund. For purposes of this Section I (ii) and (iii), "Shareholder" shall mean any person who has an ownership or distributive income share in the Respondent.
- c. The Respondent will disclose if any executive officer of the Respondent, any parent entity, the executive officers of any entity that is a parent of, or owns a controlling interest in, the Respondent, and any Shareholder of the Respondent, has given any direct or indirect financial support in excess of \$1,000 per calendar year within the prior five (5) calendar years and/or formal involvement with any community or not-for-profit organization with a central purpose of influencing public policy related to budgetary and fiscal policy which directly or indirectly relates to the continued availability and long- term viability of defined benefit pensions in the public sector, to education policy, or to retirement security policy.

For the purposes of this disclosure, an organization has the "central purpose" of influencing policy if it is understood with the exercise of reasonable due diligence, including but not limited to the examination of the organization's IRS filings and other publicly- available statements of purpose, that the organization intends to affect policy or engage in lobbying or other advocacy activity. A Respondent is not required to disclose contributions to organizations that engage in such activities in furtherance of providing medical research, aid to the poor, disaster relief, or other such tangible goods or service. The Trustees have determined that the organizations listed in Exhibit A the Fund's Procurement Policy presently fall under this required disclosure policy.

- d. The Respondent and any parent, controlling entity, subsidiary, or affiliate will disclose any direct or indirect financial relationships, transactions, or consulting agreements with the City of Chicago or the Chicago Fire Fighters Union (Local 2) entered into within the five (5) year period prior to the execution of an agreement. Any such direct or indirect financial relationships, transactions, consulting agreements, or consulting related contracts with the City of Chicago or the Chicago Fire Fighter Union (Local 2) entered into on or after the execution of an agreement shall be identified in an amended Respondent Disclosure within thirty (30) days of any new relationship, transaction, investment, agreement, or contract with the City of Chicago or the Chicago Fire Fighters Union (Local 2).
- e. The Respondent will disclose the names and addresses of any subcontractors and the expected amount of money each will receive under the agreement if authorized by the Fund.
- f. The Respondent will disclose the number of the Respondent's senior staff and percentage of its senior staff who are (1) a minority person, (2) a female, or (3) a person with a disability.
- g. The Respondent will disclose the number of contracts, oral, or written, for investment services, consulting services, and professional and artistic services that the Respondent

has with (1) a minority-owned business, (2) a female-owned business, or (3) a business owned by a person with a disability.

- h. The Respondent will disclose the number of contracts, oral, or written, for investment services, consulting services, and professional and artistic services that the Respondent has with a business other than (1) a minority owned business, (2) a female-owned business, or (3) a business owned by a person with a disability, if more than fifty percent (50%) of services performed pursuant to the contract are performed by (1) a minority person, (2) a female, and/or (3) a person with a disability.
- i. The Respondent shall annually disclose various EEO data and diversity of vendor's contracts as required by the Fund.

K. Exhibits and Attachments

- a. Respondent may include additional information or exhibits appropriate for FABF's consideration.

7) WRITTEN QUESTIONS

Prospective Respondents who have questions regarding this RFP may email the contact listed above by the due date listed in the timeline above for written questions. Please reference "Legislative Liaison Consulting Services" in the subject line of the email. The questions (without identification of the questioner) and the answer will be posted on the FABF website according to the above timeline.

8) PROPOSAL EVALUATION

The evaluation process will be structured to secure highly skilled, diligent, responsive and experienced professional personnel who will be effective in providing quality consulting services in the legislative arena. The firm selected will:

- Clearly demonstrate thorough understanding of the challenges faced by public pension funds in Illinois and be familiar with the Illinois Pension Code and the workings of the Illinois General Assembly;
- Possess adequate resources to handle assigned responsibilities and to handle extenuating circumstances that may arise;
- Assign highly skilled, experienced, diligent, responsive, and professional personnel to perform the required duties as outlined in this RFP; and
- Be competitive in terms of fee structure.

Following a review of submitted materials, selected individuals or firms should be prepared to possibly make a presentation to the FABF Board of Trustees at a date and location to be determined by the FABF. All costs of responding to the RFP, including any travel expenses incurred, are at the expense of the Respondent and will not be reimbursed by the FABF. Minority-owned businesses, women-owned businesses, and businesses owned by a person with a disability, as those terms are defined in the Illinois Business Enterprise for Minorities, Women, and Persons with Disabilities Act, are encouraged to submit responses to this RFP.

This RFP is not an offer of a contract. Acceptance of a proposal does not commit FABF to award a contract to any Respondent, even if the Respondent satisfied all requirements stated in this RFP. Publication of this RFP does not limit FABF's right to negotiate for the services described in this RFP. FABF reserves the right to choose not to enter into an agreement with any of the Respondents to this Request for Proposal.

The information submitted in response to this RFP becomes the exclusive property of FABF.

9) QUIET PERIOD

From the start of RFP review period (which begins on the date the RFP is issued by the FABF) to and until a contract is executed, there shall be no communication between Respondents and Board members or Fund staff directly involved in the search process regarding any product or service related to the search.

The quiet period shall not prevent customary due diligence or communications with a current service provider who happens to be a candidate, provided that any such communication must be in the ordinary course of business and necessary for the provision of services provided by such service provider.

Discussions relating to the pending selection are strictly prohibited.

10) RFP LIMITATIONS AND CONDITIONS

- A. This RFP does not commit FABF to award an agreement or procure services of any kind whatsoever. FABF reserves the right, in its sole discretion, to negotiate with any or all applicants considered, or to postpone, delay, or cancel this RFP, in whole or in part. FABF may terminate discussions, in its sole discretion, or select another finalist. FABF reserves the right to award an agreement or agreements based upon the proposals received. The Firm should not assume that there will be an opportunity to alter or amend its proposal at a later date or at the time of contract negotiations.
- B. FABF may request that Respondent clarify the content of the proposal. Other than for purposes of clarification, no Respondent will be allowed to alter or amend its proposal after the RFP due date.
- C. All materials submitted in response to this RFP shall be the sole property of FABF. FABF reserves the right to use any and all ideas submitted in the proposals.
- D. FABF reserves the right to reject or cancel in whole or in part at any time, any and all proposals received; to waive minor irregularities; to negotiate in any manner necessary to best serve FABF and to make a whole award, multiple awards, a partial award, or no award.
- E. FABF reserves the right to reject any or all offers and discontinue this RFP process without obligation or liability to any potential vendor.
- F. FABF reserves the right to reject the proposal of Respondent who is not currently able to perform the contract. FABF reserves the right to award a contract, if at all, to the Firm

which will provide the best match to the requirements of the RFP and the needs of the Fund, which may not be the proposal offering the lowest fees. FABF may take into consideration any factor it deems relevant, including but not limited to, past experience, financial stability, the ability to perform the requirements as set forth in this RFP, or who has previously failed to perform similar contracts in accordance with the terms, or in a timely manner, and other relevant criteria. FABF is not required to accept for consideration any proposal that fails to address or does not comply with each of the requirements or the criteria set forth in this RFP.

- G. FABF reserves the right to award a contract on the basis of initial offers received, without discussions or requests for best and final offers.
- H. If Respondent submits a proposal, FABF reserves the right to conduct its own due diligence and to undertake such investigations as it deems necessary to determine Respondent's satisfaction of the qualifications and ability to furnish the required services. Upon request, the Respondent agrees to provide any and all information for this purpose.
- I. FABF reserves the right to request additional documentation or information from Respondents. Requested information may vary by Respondent. FABF may ask questions of any Respondent to seek clarification of a proposal to ensure the Respondent understands the scope of the work or other terms of the RFP.
- J. FABF does not guarantee or commit to contracting any specific number of projects to Respondent during the life of the agreement.
- K. Written approval from FABF will be required for any news releases regarding the award of contract.

11) MINORITY AFFILIATION

FABF is an equal employment opportunity employer, and endeavors to increase the utilization of vendors who are considered women-owned businesses, minority-owned businesses and businesses owned by a person with a disability ("MWDBE"), as those terms are defined in the Illinois Business Enterprise for Minorities, Women, and Persons with Disabilities Act. Please provide any information relative to your Firm's MWDBE affiliations or MWDBE Firm participation in the engagement, and a MWDBE breakdown for your Firm.

12) WAIVER of CLAIMS

By submitting a proposal, the Respondent agrees to waive any claim it has or may have against FABF, its Board of Trustees, and/or FABF officers, employees, and agents arising out of or in connection with the administration, evaluation, or recommendation of any proposal, the waiver of any requirements under the RFP, the acceptance or rejection of any proposal, and/or the award of the contract.

13) NOTICE REGARDING ILLINOIS PUBLIC RECORDS LAWS

The proposal that you submit will be subject to the Illinois Freedom of Information Act (5 ILCS 140/) "FOIA"). The FOIA provides generally that all records in the custody or possession of a public body are presumed to be open to inspection or copying. Any public body that asserts that a record is

exempt from disclosure has the burden of proving by clear and convincing evidence that such record is exempt from disclosure. FABF will determine, in its sole discretion, whether the materials are subject to public disclosure, if a request is made in accordance with the FOIA for materials submitted in response to this RFP. If FABF denies a public records request based on a respondent's representation that such information is proprietary, privileged, or confidential, the respondent, by submission of a response to this RFP, agrees to reimburse FABF for, and to indemnify, defend, save and hold harmless FABF, its officers, Trustees, fiduciaries, employees, and agents from and against any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses including, without limitation, attorneys' fees, expenses and court costs of any nature whatsoever (collectively, "Claims") arising from or relating to FABF's complete or partial FOIA denial. By submitting your proposal, you further agree to indemnify, save, and hold FABF harmless from and against any and all Claims arising from or relating to FABF's complete or partial disclosure of your proposal if FABF determines, in its sole discretion, that such disclosure is required by law, or if disclosure is ordered by a court of competent jurisdiction.

14) MOST FAVORED TERMS

All prices, terms, warranties, and benefits offered by the Respondent in its proposal must be comparable or better than those offered by the Respondent in agreements with substantially similar governmental or quasi-governmental clients. Should the Respondent make available more favorable terms to a substantially similar governmental or quasi-governmental client with respect to the types of services set forth in the Respondent's proposal, the Respondent will make such prices, terms or conditions available to FABF.

15) CONTACT

Any questions concerning this RFP must be directed to:

Steve Swanson, Executive Director
20 South Clark Street, Suite 1400 Chicago, IL 60603
312-726-5823
steveswanson@fabf.org