PENSION ADMINISTRATION SOLUTION
REQUEST FOR INFORMATION

Notice to Prospective Responders

February 27, 2013

You are invited to review and respond to the California State Teachers’ Retirement System (CalSTRS), Request for Information (RFI) entitled Pension Administration Solution. In submitting your response, you must comply with the instructions found herein.

Responses must be received in the office of CalSTRS no later than March 26, 2013, by 2:00 p.m., PST. Responses received after the specified date and time will not be reviewed by CalSTRS.

Responders requiring clarification of the intent of this RFI may request clarification only by submitting written questions to:

Vikki Eszlinger, Central Procurement Analyst
E-mail: procurement@calstrs.com

To ensure a response, questions must be received by March 7, 2013; by 10:00 a.m. PST. Questions received by this date and time will be answered in writing, without identifying the source of the query. Copies of all questions and CalSTRS responses will be available at www.bidsync.com. Please refer to Section 1.4, entitled Submission of Written Questions, for additional information.

Any attempt by a Responder to initiate contact with any member of the Teachers’ Retirement Board and/or CalSTRS staff, other than Procurement staff, regarding this RFI process may disqualify the Responder from further participation in the procurement for the Pension Administration Solution.

Jack Ehnes
Chief Executive Officer

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Attachment 2 - Vendor Response
   - Section 1 Responder Information
   - Section 1A Questionnaire
   - Section 1B Business Requirements Matrix Questions
   - Section 1C Master System Agreement Feedback Matrix
   - Section 1D Schedule A Definitions Feedback Matrix
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**EXHIBITS (All Exhibits reside in the Vendor Library)**

- Exhibit 1 - Functional Requirement Category Descriptions
- Exhibit 2 - Master System Agreement
- Exhibit 3 - Schedule A - Definitions
- Exhibit 4 - Schedule X - Service Level Agreements
- Exhibit 5 - Annex X-2 - Service Levels
- Exhibit 6 - Business Requirements Matrix
1. INTRODUCTION

The California State Teachers’ Retirement System, with a portfolio valued at $156 billion, as of December 31, 2012, is the largest teacher pension fund in the United States. CalSTRS administers a hybrid retirement system, consisting of a traditional defined benefit, cash balance and defined contribution plan, including disability and survivor benefits. CalSTRS serves California’s 852,000 public school educators and their families from the state’s 1,600 school districts, county offices of education and community college districts.

1.1 Purpose and Background

CalSTRS is embarking on an effort to replace its legacy pension administration system, START. START is the custom-built pension administration system that CalSTRS currently uses to manage and administer the State Teachers’ Retirement Plan for employers, members, participants and their beneficiaries. Its functions include, but are not limited to, contribution reporting and collections, member demographic information maintenance, service credit purchases, benefit application processing, benefit calculation, benefit payroll, deductions and disbursements, receivables and collections, correspondence/statement generation and event tracking. It provides extracted data to a data mart that is used for actuarial purposes. CalSTRS has also implemented the SAP Enterprise Resource Planning software. When fully implemented (scheduled mid-2013), SAP will supply a General Ledger, Investment Accounting, Accounts Payable, Accounts Receivable, Asset Management, Travel Management, Cash Management, Supplier Management, Cost Accounting and Project Accounting functions.

CalSTRS currently has contracted with L. R. Wechsler, Ltd. to support the planning and procurement of a pension solution and implementation services.

CalSTRS is expecting to publish the Pension Administration Solution Request for Proposal (RFP) around mid-calendar year 2013 with contract award anticipated mid-calendar year 2014. To assist in the preparation of a Pension Administration Solution RFP, CalSTRS is providing, via this RFI, some of the items that will be included in the RFP and requesting the vendor community to provide feedback. CalSTRS would like for the Responders to provide feedback regarding errors, omissions, inconsistencies, contradictions or clarity. CalSTRS will analyze the feedback provided by the Responders and make modifications deemed appropriate to the procurement process and/or procurement documents based on that feedback. The objective of this RFI is to improve the quality of the RFP, provide Responders with an opportunity to gain clarity on CalSTRS and its needs for a pension administration solution.

1.2 Notice of Intent to Respond

Responders are requested to complete and e-mail Attachment 1 (Notice of Intent to Respond) to procurement@calstrs.com indicating their intent to respond to this RFI no later than March 4, 2013, by 2:00 p.m., PST. Completion of the Notice of Intent to Respond is necessary for Responders to gain access to the CalSTRS Vendor Library, allowing information pertinent to the Responders’ understanding of CalSTRS to be shared confidentially. The Notice of Intent to Respond must include the document titled “Confidentiality, Non-Disclosure and Acceptable Use Agreement” that is included in the Attachment 1.

Within 2 days of CalSTRS receipt of Attachment 1, Notice of Intent to Respond, and the Confidentiality, Non-Disclosure and Acceptable Use Agreement, CalSTRS will email the Responder confirming CalSTRS receipt. The Responder is requested to maintain the email as proof that CalSTRS has received Attachment 1.
In order to respond to this RFI, it is mandatory that the Responders submit a Notice of Intent; doing so is the only way to gain access to the Vendor Library containing Exhibits necessary for the response.

1.3 Vendor Library

A CalSTRS’ Vendor Library contains background information on CalSTRS current environment, the Business Requirements Matrix, the Master System Agreement and associated schedules, and other information pertinent to understanding CalSTRS and its needs. The Vendor Library is an external facing SharePoint site that requires a user id and password to gain access.

The Responders may self-register on the SharePoint site using the Vendor Library URL: https://vendor.calstrs.com/vendorLibrary. Within 2 business days of CalSTRS’ receipt of the Notice of Intent to Respond, CalSTRS will contact each Responder indicating they have been granted the permissions to view the Vendor Library information.

The items included in the Vendor Library at the time of this RFI publication are listed below. The vendor library will be updated as the Pension Administration Solution project continues and the Responders that have been granted access to the library will receive automated notices when updates have occurred. The documents below are each categorized within a tabular structure in the Vendor Library and are available under the “All Documents” tab.

<table>
<thead>
<tr>
<th>VENDOR LIBRARY TAB</th>
<th>TITLE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>Member Handbook - 2012</td>
<td>A guide to CalSTRS benefits.</td>
</tr>
<tr>
<td>General</td>
<td>CalSTRS Organization</td>
<td>A high-level organization chart.</td>
</tr>
<tr>
<td>General</td>
<td>CalSTRS Overview</td>
<td>This publication provides an overview of the retirement system, including a summary of benefits currently provided to members, a history of the system, an explanation of system financing, a glossary of terms commonly used in the retirement system, and a summary of system statistics.</td>
</tr>
<tr>
<td>General</td>
<td>CalSTRS Strategic Plan</td>
<td>CalSTRS Strategic Plan for years 2012–17.</td>
</tr>
<tr>
<td>General</td>
<td>Basics of a Cash Balance Plan</td>
<td>This publication provides an overview of the Cash Balance Program.</td>
</tr>
<tr>
<td>General</td>
<td>Defined Benefit Program Summary</td>
<td>This publication provides an overview of the Defined Benefit Program.</td>
</tr>
<tr>
<td>General</td>
<td>Teachers’ Retirement Law</td>
<td>This edition of the Teachers’ Retirement Law contains all of the provisions set forth in Parts 13, 13.5 and 14 of Division 1 of the California Education Code. Those are followed by various pertinent code sections from California statute and from the United States Code. Rules and regulations of the Teachers’ Retirement Board, which are in the California Code of Regulations, are in the back of this edition.</td>
</tr>
<tr>
<td>VENDOR LIBRARY TAB</td>
<td>TITLE</td>
<td>DESCRIPTION</td>
</tr>
<tr>
<td>-------------------</td>
<td>--------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>General</td>
<td>A Vision of the Future for CalSTRS</td>
<td>Describes a “Day in the life” for a member, a retiree and a CalSTRS employee in the year 2017.</td>
</tr>
<tr>
<td>Technical</td>
<td>CalSTRS Application Profiles</td>
<td>Application profiles for CalSTRS pension-related enterprise applications.</td>
</tr>
<tr>
<td>Technical</td>
<td>Interfaces</td>
<td>A list of current pension-related external and internal interfaces.</td>
</tr>
<tr>
<td>Technical</td>
<td>Pension-Related Applications and Spreadsheets external to START</td>
<td>A list of pension-related applications and Excel spreadsheets external to START that are anticipated to be replaced by the new pension solution.</td>
</tr>
<tr>
<td>Technical</td>
<td>START Architecture</td>
<td>An architectural overview of START.</td>
</tr>
<tr>
<td>RFI Exhibits</td>
<td>Business Requirements Matrix</td>
<td>A listing of CalSTRS prospective high level functional requirements. Provided in MSWord format to be used by the Responders for submitting comments on individual requirements.</td>
</tr>
<tr>
<td>RFI Exhibits</td>
<td>Functional Requirement Category Description</td>
<td>Descriptions for each of the functional requirement categories.</td>
</tr>
<tr>
<td>RFI Exhibits</td>
<td>Master Systems Agreement</td>
<td>The prospective contract for the pension solution.</td>
</tr>
<tr>
<td>RFI Exhibits</td>
<td>Schedule A (Definitions)</td>
<td>The definitions associated with the Master System Agreement.</td>
</tr>
<tr>
<td>RFI Exhibits</td>
<td>Annex X-2 (Service Levels)</td>
<td>The prospective service levels associated with Schedule X (Service Level Agreements).</td>
</tr>
<tr>
<td>RFI Exhibits</td>
<td>Schedule X (Service Level Agreements)</td>
<td>The prospective service level agreements for the pension solution.</td>
</tr>
</tbody>
</table>

Table 1 – List of Vendor Library Items
1.4 Submission of Written Questions

The Responders may request clarification of the intent of this RFI by emailing questions to the CalSTRS Contact identified in Section 1.7 below. Questions must be received by the date and time listed in Section 1.6 (Time Schedule).

1.5 Format and Content of Response

The response to the RFI must include Attachment 2 (Vendor Response) and the Business Requirements Matrix. The Responders must email both documents to procurement@calstrs.com by the date listed in Section 1.6 (Time Schedule).

Attachment 2 (Vendor Response) is comprised of the following sections:

1 – Responder Information
   The Responder is requested to provide some general information about their company and their point of contact.

1A – Questionnaire
   The Responder shall answer each of the questions limiting each response to no more than 1 page, front and back, double spaced, and minimum size 10 font.

1B – Business Requirements Matrix Questions
   The Responder shall answer each of the questions limiting each response to no more than 1 page, front and back, double spaced, and minimum size 10 font.

1C – Master System Agreement Feedback Matrix
   The Responder, upon review of Exhibit 2 (Master System Agreement), may provide comments regarding any of the items by completing the following columns, as appropriate:
   - Section Number – The section number of the Agreement item.
   - Title - The name of the Agreement section.
   - Comment – Comment regarding such section. Each Comment shall be limited to a maximum of 100 words.
   - Suggested Wording – Include specific language changes where appropriate and the reason for such suggestion.

1D – Schedule A (Definitions) Feedback Matrix
   The Responder, upon review of the Exhibit 3 (Definitions), may provide comments and or concerns they have with any of the items, by completing the following columns as appropriate:
   - Item # - The item number corresponding to the comment.
   - Definition – The defined term associated with the comment.
   - Comment – The comment regarding such defined term. Each Comment must be kept to a maximum of 100 words. Where appropriate, include specific language suggested and the reason for such suggestion.

1E – Schedule X (Service Level Agreements) Feedback Matrix
The Responder, upon review of Exhibit 4 (Schedule X), may provide comments regarding any of the items by completing the following columns as appropriate:

- **Section** – The section number associated with the comment.
- **Title** – The title of such section.
- **Comment** – The comment regarding such section. Each Comment must be kept to a maximum of 100 words. Where appropriate, include specific language suggested and the reason for such suggestion.

**1F – Annex X-2 (Service Levels) Feedback Matrix**

The Responder, upon review of Exhibit 5 (Annex X-2), may provide comments regarding any of the items, by completing the following columns as appropriate:

- **Section Number** – The section number associated with the comment.
- **Service Level** – The service level associated with the comment.
- **Subsection** – The subsection of the service level associated with the comment, if applicable.
- **Comment** – The comment regarding such section or subsection. Each Comment must be kept to a maximum of 100 words. Where appropriate, include specific language suggested and the reason for such suggestion.

**Business Requirements Matrix (BRM)**

The Business Requirements Matrix is located in the Vendor Library and lists the prospective functional requirements for the pension solution. The BRM is provided in Microsoft Excel format and it is expected the Responders will download a copy of the BRM for their review and comment. The Responders shall review each requirement in the BRM, providing comments as applicable. The completed BRM will be emailed to CalSTRS along with the Attachment 2 (Vendor Response) by the date and time listed in Section 1.6 (Time Schedule).

CalSTRS, during its business requirements gathering process, mapped the applicable laws and regulations to individual requirements in the BRM. The mapping is provided as described below and, in part, is intended to provide additional information to assist the Responders in scoping the effort and understanding the complexity of the needed solution. It in no way relieves the successful vendor of the responsibility for ensuring the solution implemented supports CalSTRS’ compliance with all applicable laws and regulations.

The following describes the elements of the BRM:

- **Category Name**: A descriptive title for the category.
- **Category Description**: A brief description of the category.
- **Req ID**: A unique identifier for the requirement. The first three characters correlate to the Category and the last three are a sequence number for the requirement within the Category.
- **Requirement Description**: A description of the requirement.
- **Mapped to Law, Regulation or Policy, where applicable**:
  - **Type**: Indicates whether the requirement is mapped to a law, regulation or a policy.
  - **Section**: The actual section of the law or regulation, or CalSTRS policy number.
  - **Name**: The name of the law, regulation or policy.
- **Comment**: Use this column to identify and provide information on any requirements that:
1.6 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.

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFI Available to Prospective Responders</td>
<td>February 27, 2013</td>
<td></td>
</tr>
<tr>
<td>Notice of Intent to Respond</td>
<td>March 4, 2013</td>
<td>2:00 p.m., PST</td>
</tr>
<tr>
<td>Obtain Access to CalSTRS Vendor Library</td>
<td>March 6, 2013</td>
<td></td>
</tr>
<tr>
<td>Responder Submission of Written Questions</td>
<td>March 7, 2013</td>
<td>10:00 a.m., PST</td>
</tr>
<tr>
<td>CalSTRS Response to Written Questions</td>
<td>March 14, 2013</td>
<td></td>
</tr>
<tr>
<td>RFI Responses Due – Attachment 2 and Business Requirements Matrix with comments</td>
<td>March 26, 2013</td>
<td>2:00 p.m., PST</td>
</tr>
<tr>
<td>RFI Review</td>
<td>Begins on March 27, 2013</td>
<td></td>
</tr>
<tr>
<td>CalSTRS Requests for Vendor Clarifications</td>
<td>April 2, 2013</td>
<td></td>
</tr>
<tr>
<td>Vendor Clarifications Received</td>
<td>April 5, 2013</td>
<td></td>
</tr>
<tr>
<td>RFI Review Complete</td>
<td>April 15, 2013</td>
<td></td>
</tr>
</tbody>
</table>

1.7 CalSTRS Contact Information

REQUEST FOR INFORMATION - PENSION ADMINISTRATION SOLUTION
California State Teachers' Retirement System
Vikki Eszlinger, Central Procurement Analyst
PO Box 15275
Sacramento, CA  95851-0275

Email: procurement@calstrs.com

1.8 Disclaimer

This RFI is issued for information and planning purposes only and does not constitute a solicitation. The issue of the RFI does not explicitly or implicitly mean that CalSTRS is making an offer, in whole or in part, to do business with any recipient or respondent or the provision of goods or services from you as the prospective vendor or otherwise. CalSTRS will not be bound to any agreement or obligation unless and until CalSTRS executes a definitive agreement with a vendor following satisfactory due diligence and final vendor selection by CalSTRS, and review and approval of the definitive form of agreement by appropriate levels of each party’s
management. A response to this RFI is not an offer and cannot be accepted by CalSTRS to form a binding contract. The issuance of this RFI and the Respondent’s submission of a response do not create any obligation of CalSTRS to purchase any goods or services from any vendor, or to enter into any binding legal relationships with any vendor. Participation in this RFI process is not mandatory for participation in any future RFP that is released by CalSTRS regarding the pension solution project.

1.9 Miscellaneous

Responders are solely responsible for all expenses associated with responding to this RFI and for any other prior or subsequent activity associated with this process, including the evaluation of the information requested.

Responses to this RFI may be subject to the Public Records Act and therefore subject to public disclosure. CalSTRS is not requesting a solution, rather the intent of the RFI is to validate the project objectives and requirements in order to better utilize bidder and state resources. Please do not include any proprietary information or any specific solutions in your response to this RFI. By providing any such proprietary information and solutions, you acknowledge and agree that CalSTRS shall have no liability arising from any use or disclosure of such.

None of the contents of this RFI, or any information about this RFI, should be communicated or distributed outside the team of Responder personnel relevant to the pursuit of this opportunity and the preparation of this RFI response. In the event that a Responder wishes to utilize a subcontractor for the preparation of any part of their response to this RFI, the following requirements must be met:

1. The Responder must obtain CalSTRS’ prior written consent to the sharing of any information with such third party, and such third party must sign and provide to CalSTRS the contents of Attachment 1 of this RFI;

2. The Responder must have a confidentiality agreement in place with such third party to which it is giving information; and

3. The Responder must agree and acknowledge that it (the Responder) will be the sole party that ultimately will be entering into an agreement with CalSTRS for the delivery of the products and services contemplated in this RFI.

Each Responder must treat this RFI and all related material, and CalSTRS’ process of evaluating opportunities, as a strictly confidential business matter and proprietary to CalSTRS, subject to the confidentiality and nondisclosure documents entered into by the Responder.

The Responder is not permitted to announce, disclose or release any information regarding this evaluation process or regarding the existence or contents of CalSTRS’ request for this targeted information. All submissions and correspondence in relation to this RFI must be marked “CalSTRS Confidential Information”.

Our Mission: Securing the Financial Future and Sustaining the Trust of California’s Educators
2. Project Overview

2.1 CalSTRS Vision for the Future

One of the first activities of the project was to develop a vision for the future of pension administration based on personas developed specifically for CalSTRS. The vision provides a “day in the life” for member, a retiree and a CalSTRS employee, projecting what life could be like for pension administration related activities in the year 2017.

The complete “Vision for the Future of CalSTRS” is available in the Vendor Library. Refer to Section 1.3 for instructions on how to gain access to the Vendor Library.

2.2 Business and Technical Challenges

There are a number of business challenges that CalSTRS seeks to overcome through the implementation of a new pension solution.

<table>
<thead>
<tr>
<th>Business Challenges</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Customer service delivery</td>
<td>CalSTRS strategic goals related to improved service delivery are hampered by older technologies.</td>
</tr>
<tr>
<td>2. Business process automation</td>
<td>CalSTRS seeks a greater degree of business process workflow and case management capabilities.</td>
</tr>
<tr>
<td>3. Ease of use for the business areas</td>
<td>CalSTRS seeks systems which are intuitive to use and can locate information quickly to respond to member queries in a timely manner.</td>
</tr>
<tr>
<td>4. Cost efficiency</td>
<td>CalSTRS seeks systems that are efficient and cost effective to maintain and operate.</td>
</tr>
<tr>
<td>5. Service accessibility and personalization</td>
<td>CalSTRS seeks systems which offer options to easily personalize and tailor content to the consumer of the information.</td>
</tr>
<tr>
<td>6. Automation of internal controls</td>
<td>CalSTRS seeks systems which have built-in internal controls, including but not limited to audit trail ability and drill through reporting.</td>
</tr>
<tr>
<td>7. Support legislative changes</td>
<td>CalSTRS seeks systems that can be adapted quickly to support new legislative requirements.</td>
</tr>
<tr>
<td>8. Uniform Business Processes</td>
<td>CalSTRS seeks systems to enforce uniform business practices across business units.</td>
</tr>
</tbody>
</table>

There are a number of technical challenges that CalSTRS seeks to overcome through the implementation of a new pension solution.
### Technical Challenges

<table>
<thead>
<tr>
<th>Technical Challenges</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Long learning curves</td>
<td>There is a learning curve of 18 – 24+ months for new programming and technical hires due to functional and technical complexities.</td>
</tr>
<tr>
<td>2. Recruiting and hiring</td>
<td>Difficulty in recruiting and hiring mainframe programmers and technical staff as these skills are no longer a primary academic focus.</td>
</tr>
<tr>
<td>3. Expensive to fix system short-comings</td>
<td>Addressing the underlying short-comings in the current system would be expensive.</td>
</tr>
<tr>
<td>4. Changes to current systems are complex and time consuming</td>
<td>Need to improve the ability to react quickly to requests from business units for improved functionality or legislative mandates due to highly integrated data, architecture, and program dependencies.</td>
</tr>
</tbody>
</table>

### 2.3 CalSTRS Goals and Project Success Factors

CalSTRS has identified a number of factors that are considered critical in establishing the success of the project. These success factors are in line with the Teachers’ Retirement Board goals and objectives. Over the next few months, the project team will define the measurement process for each factor and establish the baseline metrics.

The following identifies the CalSTRS goals and the associated success factors for the pension solution project.

<table>
<thead>
<tr>
<th>CalSTRS Goals</th>
<th>Pension Solution Success Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhance services to members and customers (CalSTRS Board Strategic Goal 3)</td>
<td>Improve customer service levels.</td>
</tr>
<tr>
<td></td>
<td>Provide consistent, reliable pension information across all business processes and communication channels.</td>
</tr>
<tr>
<td></td>
<td>Reduce time to implement pension system changes and increase business agility.</td>
</tr>
<tr>
<td>Improve the work environment and internal efficiency (CalSTRS Board Strategic Goal 4)</td>
<td>Provide easily accessible key metrics to support performance measurement.</td>
</tr>
<tr>
<td></td>
<td>Provide employees who interact with the pension solution with the information and tools needed to do their jobs efficiently and the time to do their job well.</td>
</tr>
<tr>
<td></td>
<td>Provide automated internal controls to ensure the integrity of the system.</td>
</tr>
<tr>
<td></td>
<td>Reduce total pension administration costs.</td>
</tr>
</tbody>
</table>
2.4 Pension Administration Business Functions

The Vendor Library includes a number of documents that provide a description of CalSTRS and its business functions. Instructions for gaining access to the Vendor Library are documented in Section 1.3 (Vendor Library).

2.5 Overview of Current Systems

CalSTRS makes use of a wide range of applications to support its pension operations. CalSTRS has targeted some systems for replacement and some systems that will be retained.

In addition, there is another category of systems for which CalSTRS has not yet made a decision regarding retention or replacement. These are systems that may be replaced and will be identified in the RFP as optional components. The Proposers for the RFP will be requested to price the solutions for this functionality separately and CalSTRS may, at its sole discretion, decide to purchase or not purchase the option.

a. CalSTRS Application Profiles

Detailed information on CalSTRS application profiles is contained in a document titled “CalSTRS Application Profiles” located in the Vendor Library and is organized into the following sections: CalSTRS’ applications to be replaced, CalSTRS’ applications that may be replaced and CalSTRS’ applications that will be retained.

b. Pension Related Small Applications and Spreadsheets

A list of pension related small applications and spreadsheets which CalSTRS intends to replace with the new pension solutions is included in the document titled “Pension Related Applications and Spreadsheets external to START” located in the Vendor Library.

c. Current Interfaces

A list of current internal and external interfaces with which the pension solution is expected to interact is included in the document titled “Interfaces” located in the Vendor Library.

3. Planned RFP Scope of Services

The following describes the services that are expected to be included in the Pension Solution Request for Proposal (RFP), as described in Section 1.1 above.

3.1. Delivery of a Pension Administration Solution

The proposed solution is expected to drive towards the future vision for CalSTRS as identified in Section 2.1 (CalSTRS Vision for the Future), comply with all laws, regulations and policies applicable to CalSTRS, and meet the functional and non-functional requirements published in the RFP. Prospective functional requirements are provided in the Vendor Library in the document titled “Business Requirements Matrix”.
3.2 System Integration

The successful vendor will be responsible for developing and testing all system interfaces including those that exchange data with external parties and those that exchange data with other, internal CalSTRS systems. A list and description of known internal and external interfaces is included in the Vendor Library.

3.3 Phased Implementation

CalSTRS is seeking proposed solutions that are structured so as to have a phased approach. CalSTRS seeks to avoid a “big bang” approach in which the entire functional solution is deployed for all populations/programs and/or all end users are brought on-line at one time. By requiring the vendor to deliver the solution in phases, the amount of change that must be absorbed by the organization, particularly the system end-users, at any one time can be reduced to manageable levels. CalSTRS recognizes that such a phased approach may incur the added cost of temporary data bridging efforts needed to keep the legacy system and the new solution “in synch” during the period when both systems will be in use, but have concluded that due to the size of the implementation, such costs are out-weighed by the benefits of a phased implementation.

CalSTRS is in the process of considering different phasing approaches that may work for its legacy system(s) but recognizes that the details of a phased implementation should be developed in concert with the successful vendor. Therefore, CalSTRS may indicate in the RFP which approaches seem plausible from CalSTRS’ perspective and may not require the Proposers for the RFP to describe a particular approach.

3.4 Business Process Improvements

In order to optimize the design and performance of the selected solutions’ capabilities, CalSTRS has elected to allow the solution to drive the To-Be business processes. CalSTRS expects the successful vendor to recommend the business process changes necessary to best support the solution and work closely with CalSTRS to develop and implement those changes as appropriate during each project phase.

3.5 Workforce Transition/Organizational Structure Change Recommendations

The implementation of the new pension solution will bring about many changes for the CalSTRS staff, including process changes, organizational structure changes and cultural changes. The success of the project depends on how well CalSTRS staff can transition from the old paradigm to the new. The Proposers for the RFP will be required to provide a detailed explanation of their approach and process to developing and executing a change management plan to assist in the support, promotion, acceptance and implementation of the new pension solution.

3.6 System Development/Configuration Life Cycle

It is CalSTRS expectation that the successful vendor will have its own proven Systems Development Life Cycle methodology that it will prefer to use for this implementation effort. We also anticipate that the successful vendor will be ITIL proficient. Proposers to the RFP will be required to state their commitment to utilize a single system development life cycle methodology and terminology for all portions of the project. For example, if a Proposer’s plan is to customize, and integrate a third party package into the overall solution, then all
activities relating to the third party package should observe the same system development life cycle methodology utilized in developing the rest of the pension solution.

CalSTRS will need to approve the vendor’s methodology. In addition, CalSTRS staff members are to be educated in and expected to utilize only one life cycle methodology and terminology set for the duration of the project.

The project will be divided into multiple rollout phases, each including numerous activities/tasks that will be implemented sequentially or on an overlapping basis. Each rollout phase will involve numerous deliverables (documents and software), that will be submitted to various CalSTRS staff members for review, revision and approval. It is anticipated that vendor payment will be associated with these deliverables.

3.7 Data Bridging

Services for any bridging activities that need to occur between the legacy system and new pension solution will be included in the RFP. Bridging activities means any movement of data between the legacy system and new pension solution in order to keep the two systems in sync throughout the implementation phases. CalSTRS’ staff will be responsible for absorbing bridged data into the legacy system; the successful vendor will be responsible for absorbing bridged data into the new pension solution. The goal, however, should be to keep the number of legacy system changes to a minimum.

3.8 Data Conversion

CalSTRS understands that a critical component of the project is the accurate and complete conversion of CalSTRS legacy system data to the new environment. CalSTRS expects that the successful vendor will take responsibility for conversion and migration of CalSTRS current data to the new pension solution. CalSTRS will provide the vendor with data extracted in its mutually agreed upon format from the legacy system(s). The vendor will ensure that all needed legacy data will be appropriately translated, converted, validated and reconciled before and after it is migrated to the new pension solution.

CalSTRS currently has a separate project, Data Preparation Project, to engage a vendor in the analysis and planning for the pension system data clean-up.

3.9 Documentation

While it is expected that the successful vendor’s solution will be intuitive and easy to use, CalSTRS will require the vendor to provide two types of documentation for the new pension administration solution:

- User documentation, including, but not limited to electronic help, updated functional requirements, solution functional documentation and business process documentation.
- Technical documentation including but not limited to Architecture documentation, Network/Server Administration, Security and Directory Services, Data/Database Administration, Operations and Application Configuration/Development as applicable.
3.10 Training

The Proposers for the RFP must provide training material that will range from high-level user familiarization material to detailed IT-level system administration training. The training programs will include but not be limited to:

- CalSTRS Users (Business staff and managers)
- CalSTRS Business analysts and technical staff
- Employers or employers’ payroll service providers or service bureaus
- Members

This training may be a combination of standard courses and customized, CalSTRS-specific training and documentation, potentially incorporating train-the-trainer techniques with the desired outcome to ensure knowledge transfer is achieved.

The Proposers for the RFP will be expected to provide a comprehensive Training Plan and may be required to deliver the training for each of the above training programs. CalSTRS will make a final decision on the preferred method of training delivery prior to the publication of the RFP.

3.11 Hosting and Associated Activities

CalSTRS has not yet made a determination whether the solution will be hosted on-site or if CalSTRS will ask Proposers for the RFP to bid hosting services. If the solution is hosted at CalSTRS, Proposers must provide all environmental requirements/specifications (e.g., floor space, heating, air conditioning, ventilation, fire suppression, power, etc.) that must be met by the CalSTRS hosting facility in order to accommodate the proposed solution, including disaster recovery requirements. CalSTRS will be responsible for implementing all required improvements in the hosting environment, based on the information provided by the successful vendor in their proposal.

If the solution is hosted at the successful vendors’ or a third-party data center, the Proposers for the RFP will need to, at a minimum, describe how the Proposer will address CalSTRS service level standards, disaster recovery requirements, data back-up procedures, physical security measures, and system security standards. Further, in such event, CalSTRS anticipates that it will require the proposed data center to be a Tier 3 or Tier 4 data center. The successful vendor shall provide a data center with sufficient electrical connections, air conditioning, backup power through UPS and generator, network communication facilities, surveillance, access control system, fire suppression system and physical security, etc. as applicable for such a data center and other such services to comply with Service Level Agreements in the contract.

3.12 Solution Maintenance and Operations

CalSTRS anticipates that the successful vendor will have a role to play in solution maintenance and operations activities as portions of the solution and ultimately the whole solution is moved into production. CalSTRS is still in the process of determining the level of CalSTRS participation in these activities. The level of CalSTRS participation will be detailed in the RFP document.
3.13 Facility Provision for Successful Vendors’ Project Team

CalSTRS would prefer that the successful Vendors’ Project Team be located in the CalSTRS Headquarters Building in West Sacramento, California, so that the vendor and the CalSTRS team are located in the same work facility. The adequacy of space in the Headquarters Building will depend on the number of staff that the successful vendor bids for the project. CalSTRS will perform a space availability review and, in the RFP, indicate its preference for project team space.

4. Items Planned as Out of Scope for the Request for Proposal

The following describes the services that are expected to be out of scope for the Pension Administration Solution RFP. CalSTRS will arrange for these services through separate contracting mechanisms.

4.1 Oversight

Grant Thornton, LLP, is currently contracted with CalSTRS and will provide oversight throughout the Pension Administration Solution project.

4.2 Independent Verification and Validation

These services will be provided through a 3rd party contract. This service provider will work closely with the entire Pension Administration Solution project team to ensure the quality of the products delivered.

4.3 Third-Party Security Assessment

CalSTRS plans to seek the services of an independent firm to conduct a security assessment. This assessment will focus on whether the security controls within the hardware/network infrastructure, application and data center (if applicable) are adequate. The assessment will include penetration tests to confirm this adequacy. The successful vendor will be expected to comply with the findings.

5. Minimum Qualifications for the Request for Proposal

These are prospective Minimum Qualifications. This criteria may be modified or additional criteria added for inclusion in the RFP.

To qualify to respond to the upcoming Pension Administration Solution Request for Proposal, the Proposers for the RFP must be able to cite at least two previous projects, from within the past five years, which must be fully complete (i.e., in warranty period or later) or substantially complete (i.e., to be in warranty period within 12 months of the release of this RFP), where the Proposer successfully implemented a new, integrated pension administration system.

At least one of the retirement systems cited must have all of the following characteristics:

- Fully complete (i.e., in warranty period or later); and
- A public employee retirement system; and
- At least 300 employers; and
- At least 250,000 active and inactive members and annuitants combined; and
• A defined benefit program.

If the relationship being proposed in the RFP is one of Solution Integrator and Solution Provider¹ (in a prime contractor/subcontractor relationship), the Solution Provider may be used to satisfy the above Minimum Qualifications, subject to Section 1.9 above and the remainder of this Section 5. If a Solution Provider is used to meet the Minimum Qualifications, then the Solution Integrator must meet the following additional minimum qualifications:

• Must have been a prime contractor for at least three large legacy transformation projects of greater than $50 million project budget each, excluding state personnel costs, within the last five years; and
• At least one of the three large legacy transformation projects was a state or federal governmental agency.

6. **Key Personnel**

The Pension Administration Solution RFP will require the Proposers for the RFP to identify and commit certain key personnel to be assigned for the duration of the deliverable(s) for which they are responsible. CalSTRS is expecting the Proposers to bid the resources they expect to assign to the project. During Best and Final Offer (BAFO) negotiations, Proposers will be required to identify any key personnel bid that will not be available to work on the project and provide resumes of alternative resources for CalSTRS to consider during the final negotiations.

At a minimum, the key personnel to be identified must include the following positions:

• **Project Manager**

  The Project Manager must be assigned full time to the project and his/her duties must be focused exclusively on the management and coordination of the project. He/she will be the primary on-site customer liaison, responsible for coordination, scheduling, and resolution of issues. CalSTRS prefers that the Project Manager be a senior staff member having a minimum of five years’ experience in this role with the Proposer and 5 years pension system implementation experience. The Project Manager will be expected to be on-site at CalSTRS at least 80 percent of the time. The Project Manager will be responsible for working closely with CalSTRS designated Project Manager.

• **Assistant Project Manager**

  The Assistant Project Manager must be assigned to the project full-time and his/her duties must be focused primarily on the management and coordination of the project. The Assistant Project Manager will assist the Project Manager as a primary on-site customer liaison, responsible for coordination, scheduling, and resolution of issues and in the absence of the Project Manager, should assume all responsibilities of the Project Manager, including the maintenance of project management documents. The Assistant Project Manager will be expected to be on-site at CalSTRS at least 80 percent of the time.

¹ Solution Provider is defined as the vendor providing a product as a starting point for CalSTRS that would require configuration, customization, modification or extension. Solution Integrator is a firm that does not have a pension administration solution of their own and will partner with a Solution Provider. Generally, the Integrator will perform all the planning and implementation activities except those directly associated with setting up the pension solution product.
• **Application Development Lead**

The Application Development Lead must be assigned to the project full time and his/her duties must be focused primarily on coordinating the application development efforts, mentoring developers, and participating in development activities. This would include, but not be limited to, customizing, developing, and testing the new pension solution components to meet CalSTRS’ business requirements. This individual will be required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project that require application development expertise.

• **Solution Architect/Technical Lead**

The Solution Architect/Technical Lead must be assigned to the project full time and his/her duties must be focused primarily on managing the delivery of the technical solution. This would include but not be limited to, application architecture, frameworks, technical services, hardware infrastructure, network, storage, operations architecture and development architecture. This individual is also responsible for knowledge transfer to appropriate CalSTRS staff and will be required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project which require Solution Architect/Technical Lead expertise.

• **Security Architect**

The Security Architect must be responsible for developing and managing execution of the security plan as well as supervise all subsequent security efforts within the successful vendor’s execution of the work plan. This individual will work closely with the CalSTRS Information Security Office to ensure that security related tasks are included at each phase of the system development life cycle. The Security Architect will be required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project which will require Security Architect expertise. The Security Architect must have a minimum of five years of experience in the area of application security design and testing within the past ten years and possess a Certified Information System Security Professional (CISSP) certification in good standing (not expired).

• **Pension Administration/Functional Lead**

The Pension Administration/Functional Lead must be assigned to the project full time and focused primarily on providing business/functional expertise, guidance and solutions in support of the development of the overall pension solution. This individual will be required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project which require Pension Administration/Functional expertise and will work closely with the CalSTRS Business Lead. CalSTRS prefers that the Pension Administration/Functional Lead have a minimum of five years’ pension administration.

• **Testing Lead**

The Testing Lead must be primarily focused on ensuring that CalSTRS testing requirements are met. This would include, but is not limited to, creating test plans, managing the progress of testing activities, reporting on testing metrics and coordinating with other project stakeholder to ensure delivery of a solution that meets customer expectations. The Testing Lead will be required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project which require testing services. CalSTRS prefers that the Testing Lead have a minimum of five years’ pension administration experience.
• **Software Lead**

The Software Lead must be focused primarily on the implementation and configuration of the software packages utilized in the pension solution. This would include, but not be limited to, software installation, configuration, and maintaining the efficiency, reliability and effectiveness of the pension solution or third party software by applying timely updates, fixes and patches. The Software Lead is required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project that require software implementation and configuration services.

• **Training Lead**

The Training Lead must be focused primarily on training all users of the solution – CalSTRS staff, employers and members. This would include, but not be limited to, development and execution of various training plans. The Training Lead is required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project that require training services.

• **Conversion Lead**

The Conversion Lead must be focused primarily on the conversion of data from the existing database to the new pension solution database. This would include, but not be limited to, development of a conversion plan, mapping existing data to the new solution, data clean-up that was identified for cleansing at conversion and post conversion testing. The Conversion Lead is required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project that require conversion services.

• **Interface Lead**

The Interface Lead must be focused primarily on the design, development and implementation of all interfaces between the new pension solution and other systems, both internal and external to CalSTRS. The Interface Lead is required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project that require interface services.

• **Quality Assurance Lead**

The Quality Assurance Lead must be focused primarily on ensuring the quality of the deliverables and ensure adherence to all vendor and CalSTRS standards and methodologies. The Quality Assurance Lead is required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project that require quality assurance services.

• **Organizational Change Management Lead**

The Organizational Change Management Lead must be focused primarily on preparing the organization for the new pension solution. This would include, but not be limited to, development and execution of an organizational change management plan including business area restructuring. The Organization Change Management Lead is required to be on-site at CalSTRS at least 80 percent of the time during those phases of the project that require organizational change management services.
7. Functional Requirements

The prospective functional requirements (CalSTRS pension solution high level business requirements) for the Pension Administration Solution RFP are included in the Vendor Library in the document titled “Business Requirements Matrix” (BRM). Responders are required to provide comments or request clarification on requirements as needed in the Comment column and email the completed BRM to CalSTRS along with the Attachment 2 (Vendor Response) by the date and time indicated in the Section 1.6 (Time Schedule).

Refer to the Vendor Library item titled “Functional Requirements Category Descriptions” for a definition of each of the categories.

The Business Requirements Matrix contains the following elements:

- **Category Name**: A descriptive title for the category.
- **Category Description**: A brief description of the category.
- **Req ID**: A unique identifier for the requirement. The first three characters correlate to the category and the last three are a sequence number for the requirement within the category.
- **Requirement Description**: A description of the requirement.
- **Mapped to Law, Regulation or Policy, where applicable**:
  - **Type**: Indicates whether the requirement is mapped to a law, regulation or a policy.
  - **Section**: The actual section of the law or regulation, or CalSTRS policy number.
  - **Name**: The name of the law, regulation or policy.
- **Comment**: Use this column to identify and provide information on any requirements that:
  - Are not understandable
  - Are unclear or confusing
  - Can be interpreted in more than one way
  - Appear to be missing
  - Are prescriptive to the point of excluding alternate solutions

8. Master System Agreement, including Schedules A and X

The prospective Master System Agreement and a select number of associated Schedules are included in the Vendor Library. The Attachment 2 (Vendor Response) includes a response matrix for each as indicated below:

<table>
<thead>
<tr>
<th>Vendor Library - Contract Information</th>
<th>Matrix for Responder Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master System Agreement</td>
<td>Attachment 2 – Section 1C</td>
</tr>
<tr>
<td>Schedule A (Definitions)</td>
<td>Attachment 2 – Section 1D</td>
</tr>
<tr>
<td>Schedule X (Service Level Agreements)</td>
<td>Attachment 2 – Sections 1E and 1F</td>
</tr>
<tr>
<td>and Annex X-2 (Service Levels)</td>
<td></td>
</tr>
</tbody>
</table>

CalSTRS requires that Responders complete the Feedback Matrices identified in Attachment 2 in order to provide feedback on any of the documents identified in the table above.
REQUEST FOR INFORMATION
PENSION ADMINISTRATION SOLUTION

ATTACHMENT 1 – NOTICE OF INTENT TO RESPOND

If you are interested in responding to the California State Teachers’ Retirement System (CalSTRS) Pension Administration Solution Request for Information, please complete the lower portion of this notice and the Confidentiality, Non-Disclosure and Acceptable Use Agreement and email by 2:00 p.m. on March 4, 2013, to:

E-Mail: procurement@calstrs.com
Subject: Pension Administration Solution– Request for Information

Receipt of the following information by CalSTRS will be recorded and maintained for future reference and conveyance of correspondence with the appropriate personnel of your team. The information will also be used to grant your company access to the Vendor Library.

Company Name: ________________________________

Primary Contact Person: ________________________________
Primary Contact Address: ________________________________

Primary Contact Telephone: ( ) ___________ Ext. ____
Primary Contact Fax: ( ) ___________
Primary E-Mail Address: ________________
CalSTRS Information Privacy and Security Requirements

1. **Definitions.** For the purposes of this Information Privacy and Security Requirements document, the following definitions shall apply:

   **A. Public Information:** Information that is not exempt from disclosure under the provisions of the California Public Records Act (Government Code sections 6250-6265) or other applicable state or federal laws.

   **B. Confidential Information:** Information that is exempt from disclosure under the provisions of the California Public Records Act (Government Code section 6250-6265) or other applicable state or federal laws.

   **C. Sensitive Information:** Information that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive Information may be either Public Information or Confidential Information. It is information that requires a higher than normal assurance of accuracy and completeness. Thus, the key factor for Sensitive Information is that of integrity. Typically, Sensitive Information includes records of agency financial transactions and regulatory actions.

   **D. Personal Information:** Information that identifies or describes an individual, including, but not limited to, their name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. **CalSTRS considers personal information confidential unless such information is determined to be a public record.**

2. **Non-Disclosure.** The Contractor and its employees, agents, or subcontractors shall protect from unauthorized disclosure any Personal Information, Sensitive Information, or Confidential Information provided by or belonging to CalSTRS (hereafter identified as CalSTRS’ PSCI).

3. The Contractor and its employees, agents, or subcontractors shall use CalSTRS’ PSCI solely for the purpose of responding to this RFI, any Request for Proposal (RFP), or otherwise participating in CalSTRS’ selection process for the Pension Solution.

4. The Contractor and its employees, agents, or subcontractors shall promptly submit to CalSTRS Program Contact and Compliance Officer all requests for disclosure of CalSTRS’ PSCI.

5. The Contractor shall not disclose CalSTRS’ PSCI to anyone other than CalSTRS without the prior written authorization from CalSTRS Compliance Officer, except if disclosure is required by Federal and State laws and regulations.

6. The Contractor shall observe the following requirements:

   **A. Safeguards.** The **Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PSCI that it creates, receives, maintains, uses, or transmits on behalf of CalSTRS. Contractor shall develop and maintain a written information privacy and security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the Contractor’s operation, and nature and scope of its activities.**
B. Security Officer. The Contractor must designate a Security Officer to oversee its data security program who will be responsible for carrying out its privacy and security programs and for communicating on security matters with CalSTRS.

C. Discovery and Notification of Breach. The Contractor must notify CalSTRS immediately by telephone call plus email or fax upon the discovery of any breach of security involving CalSTRS’ PSCI in computerized form if the PSCI was, or is reasonably believed to have been, acquired by an unauthorized person. Contractor shall notify CalSTRS within twenty-four (24) hours by email or fax of the discovery of any suspected security incident, breach of security, intrusion or unauthorized use or disclosure involving CalSTRS’ PSCI. Notification must be provided to CalSTRS’ Program Contact, CalSTRS’ Compliance Officer, and CalSTRS’ Chief Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves CalSTRS’ PSCI in computerized form, notification shall be provided by calling the CalSTRS’ Information Technology (IT) Service Desk. Contractor must take:

1) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment, and

2) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

D. Investigation of Breach. The Contractor must immediately investigate such security incident, breach of security, intrusion or unauthorized use or disclosure involving CalSTRS’ PSCI and within seventy-two (72) hours of the discovery, must notify CalSTRS’ Program Contract, CalSTRS’ Compliance Officer, and CalSTRS’ Chief Information Security Officer of:

1) What data elements were involved and the extent of the data involved in the breach,

2) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PSCI,

3) A description of where the PSCI is believed to have been improperly transmitted, sent or utilized,

4) A description of the probable causes of the improper use or disclosure, and

5) Whether Civil Code sections 1798.29 or 1798.82 or any other federal or state laws requiring individual notifications of breaches are triggered.

E. Written Report. The Contractor must provide a written report of the investigation to CalSTRS Program Contact, CalSTRS’ Compliance Officer, and CalSTRS’ Chief Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report must include, but not be limited to, the information specified above, as well as a full, detailed corrective action plan, including information on measures that were taken to halt, and/or contain the improper use or disclosure.

F. Notification of Individuals. The Contractor must notify individuals of the breach or unauthorized use or disclosure when notification is required under Federal and State laws and regulations and shall pay any costs of such notifications, as well as any costs associated with the breach. CalSTRS Compliance Officer will approve the time, manner and content of any such notifications.
G. Affect on Lower Tier Transactions. The terms of this Exhibit shall apply to all contracts, subcontracts, and subawards, regardless of whether they are for the acquisition of services, goods, or commodities. The Contractor must incorporate the contents of this Exhibit into each subcontract or subaward to its agents, subcontractors, or independent consultants.

Amendment. The parties acknowledge that Federal and State laws and regulations relating to information security and privacy are rapidly evolving and that amendment to this Exhibit may be required to provide for procedures to ensure compliance with such laws. The parties specifically agree to take such action as is necessary to implement new standards and requirements imposed by regulations and other applicable laws relating to the security or privacy of CalSTRS’ PSCI. The parties agree to promptly enter into negotiations concerning an amendment to this Exhibit consistent with new standards and requirements imposed by applicable laws and regulations.

7. Interpretation: The terms and conditions in this Exhibit shall be interpreted as broadly as necessary to implement and comply with regulations and applicable State laws. The parties agree that any ambiguity in the terms and conditions of this Exhibit shall be resolved in favor of a meaning that complies and is consistent with Federal and State laws and regulations.

8. Survival: If the Contractor does not return or destroy CalSTRS’ PSCI upon the expiration or termination of the Agreement, the respective rights and obligations of Contractor under Sections 6.A and 6.D of this Exhibit shall survive the termination or expiration of the Agreement between Contractor and CalSTRS.

9. Contact Information. To direct communications to the above referenced CalSTRS staff, the Contractor shall initiate contact as indicated herein. CalSTRS reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Exhibit or the Agreement to which it is incorporated.

<table>
<thead>
<tr>
<th>Program Area Contact</th>
<th>Office of General Counsel</th>
<th>Information Security Officer</th>
<th>EIT Service Desk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Cathie Kalas</td>
<td>Phone: (916) 414-1724</td>
<td>Name: Scott Tirapelle</td>
<td>Phone: (916) 414-4357</td>
</tr>
<tr>
<td>Phone: (916) 414-5712</td>
<td>Email: <a href="mailto:LegalServices@calstrs.com">LegalServices@calstrs.com</a></td>
<td>Phone: (916) 414-1963</td>
<td>Email: <a href="mailto:servicedesk@calstrs.com">servicedesk@calstrs.com</a></td>
</tr>
<tr>
<td>Email: <a href="mailto:CKalas@calstrs.com">CKalas@calstrs.com</a></td>
<td></td>
<td>Email: <a href="mailto:STirapelle@calstrs.com">STirapelle@calstrs.com</a></td>
<td></td>
</tr>
</tbody>
</table>
I, ____________________________, on behalf of ____________________________, hereby acknowledge that confidential, sensitive, and personal information is protected from disclosure by law, regulation and policy. I further acknowledge that protecting this information is in the member’s interest, the State’s interest and my own personal interest. I also acknowledge that CalSTRS strictly enforces information security. I understand that accessing member accounts of family, friends and acquaintances is strictly forbidden and may result in consequences including termination.

I, _____ agree to protect from disclosure all confidential, sensitive, and personal information including, but not limited to:
• Member account information.
• Claimant and employer information.
• Information about individuals that relates to their personal life or identifies or describes an individual.
• Other agencies’ confidential and proprietary information.
• Employee personnel, medical, or other personally identifiable information.
• Methods agencies use to safeguard information, including systems, networks and server configurations, etc.
• All security-related devices or information, such as tokens, access cards, User IDs, or related passwords.

I, _____ agree to protect the foregoing information in the following ways:
• Access, inspect, use, disclose, or modify information only to perform official duties.
• Never access, attempt to access, inspect, use, disclose, or modify information, including my own, for curiosity, personal gain, or any non-business related reason.
• Never remove or transport documents containing confidential, sensitive or personal information from CalSTRS or an approved CalSTRS facility without express written permission.
• Never take video or photographs of non public areas of CalSTRS without express written permission.
• Never make audio recordings of CalSTRS’ employees or non public activities without express written permission.
• Secure confidential, sensitive, and personal information in approved locations.
• Comply with all policies, standards and procedures for secure transportation, handling and destruction of all data.
• Return all security devices and immediately cease using User ID and password upon separation from CalSTRS.
• Always lock (Ctrl + Alt + Del) computer systems that I have accessed when unattended.

I, _____ acknowledge that unauthorized access, inspection, use, disclosure, or modification of confidential, sensitive, or personal information, including my own, or any attempt to engage in such acts may result in:
• Administrative discipline, including but not limited to: reprimand, suspension without pay, salary reduction, demotion, and/or dismissal from state service.
• Criminal prosecution.
• Civil lawsuit.
• Termination of contract.

I, _____ acknowledge that unauthorized access, inspection, use, or disclosure of confidential, sensitive, or personal information may be a crime under the law.

I, _____ acknowledge acceptable activities are those in accordance with the laws and policies of the United States Government and the State of California, and consistent with the purpose, goals, and mission of CalSTRS; as appropriate to my assigned job duties and responsibilities.

I, _____ expressly consent to CalSTRS monitoring of my activities on all devices including, but not limited to: access, phone, email, systems, network, and server information. I also have no expectation of privacy regarding information created, used, and stored using CalSTRS resources.

I, _____ have read and understand CalSTRS Information Privacy and Security Requirements.

REFERENCE
CalSTRS Information Security Policy; Civil Code section 1798 et seq; Education Code section 22306, Government Code section 11019.9; and State Administrative Manual section 5300-5360.1

CERTIFICATION
I certify that I have read this document and understand information security is strictly enforced. Wrongful access, inspection, use, modification, disclosure, or mishandling of confidential, sensitive, and personal information, or attempts to engage in such acts, is inappropriate and may result in disciplinary and/or legal action taken against me.
REQUEST FOR INFORMATION

Pension Administration Solution

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Our Mission: Securing the Financial Future and Sustaining the Trust of California’s Educators

REQUIREMENT

All CalSTRS employees, contractors, and business partners are required to read and sign the CalSTRS Confidentiality, Non-Disclosure, and Acceptable Use Agreement (ISO 1949) when they start work with CalSTRS and annually thereafter.

SCHEDULE

New employees, contractors, and business partners must have a completed form (ISO 1949) on file with the Information Security Office (ISO) prior to being granted access to any CalSTRS systems or engaging in any work involving confidential, sensitive, or personal information.

Annually, a pre-filing announcement will go out from the ISO in March.

- Completed forms are due 30 days from the pre-filing announcement date;
- Non-filer reporting to executive management one week following the due date;
- Non-filers will have access and services disabled 30 days from the due date.

INSTRUCTIONS

1. Print and read the “Confidentiality, Non-Disclosure and Acceptable Use Agreement” (ISO 1949)
2. Complete all sections on the agreement:
   - Identify if you are an existing or new employee/contractor
   - Print your full name, your phone number, and your employer’s name;
   - Initial on the designated space next each paragraph to signify that you have read and understand the information and requirements;
   - Employee/Contractor full name, signature, and date of signature;
   - Supervisor full name, signature, and date of signature.

Incomplete or unsigned forms will be returned.

WHERE TO FILE

Please e-mail completed document with Notice of Intent to Respond to procurement@calstrs.com.

ASSISTANCE

Contact the Information Security Office at (916) 414-1963 if you have questions or need assistance completing the form.
REQUEST FOR INFORMATION
PENSION ADMINISTRATION SOLUTION
ATTACHMENT 2 – VENDOR RESPONSE

Instructions: Please complete this Attachment 2 Vendor Response and e-mail it to procurement@calstrs.com by the date listed in the RFI Section 1.6 (Time Schedule).

CalSTRS thanks you very much for your time and assistance in providing feedback based on your experience as a vendor.

Section 1 Responder Information

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Section 1A Questionnaire

Please limit each response to no more than 1 page, front and back, double spaced, with a minimum size 10 font.

**Question 1:** Based on your review of RFI Section 2 (Project Overview), do you have any comments or recommendations.

**Question 2:** Based on your review of RFI Section 3 (Planned RFP Scope of Services), please indicate if you believe there are any areas that may have been overlooked.

**Question 3:** Within RFI Section 3 (Planned RFP Scope of Services) are subsections on Phased Implementation, Data Bridging and Data Conversion. Please comment on CalSTRS desire to require the pension solution provider to implement the solution in a phased manner and have the solution provider be responsible for data conversion.
and data bridging into the new pension solution. From your prior experience, please share any insights on this scope item.

**Question 4:** CalSTRS maintains a Requirements Repository that provides tracing of CalSTRS laws, regulations, and policies to the high-level requirements. As the detailed requirements are developed after the successful vendor is on board, it is desired that the detailed requirements are entered into the same Repository and traced to the high-level requirements. What concerns, comments, and/or questions do you have regarding this process?

**Question 5:** Based on your prior experiences, please comment on likely business process changes, business structure changes and general organizational impact of implementing a new pension solution at CalSTRS. Please provide any insight or recommendations you may have.

**Question 6:** Please provide feedback on the Section 5 Minimum Qualifications provided in the RFI document.

**Question 7:** Please provide feedback on the Section 6 Key Personnel provided in the RFI document.

**Question 8:** CalSTRS currently utilizes a mainframe to support its core pension processing and requires a high degree of reliability and performance standards to support its critical business processes. Given that a significant number of solutions available in the market place are not mainframe based, how can CalSTRS be assured that these non-mainframe systems support the throughput, the load, and volumes of data that CalSTRS must process?

**Question 9:** In addition to those service level set forth in Exhibit 5 Annex X-2, are there any other service levels you would recommend?
Section 1B  Business Requirements Matrix Questions

Please respond to the following general Questions 1 through 4 regarding the functional requirements limiting each response to no more than 1 page, double spaced, with a minimum size 10 font.

**Question 1:** Is the information provided for each requirement in the Business Requirements Matrix adequate? The following lists the columns in the BRM.

- Category and category description
- Requirement identifier
- Law, regulation or policy the requirement is mapped to, if applicable

If not, what suggestions do you have to improve the format of the Business Requirements Matrix?

**Question 2:** Are there any categories for functional requirements that should be added that represent standard pension administration solution best practices? If so, what are they and why are they important?

**Question 3:** Are there any requirements that you believe should be out of scope? If so, why?

**Question 4:** Identify the top 2 or 3 functional requirement categories that are cost drivers.
Section 1C    Master System Agreement Feedback Matrix

The prospective Master System Agreement is included in the Vendor Library. Prior to inclusion in the Pension Solution RFP, the Master System Agreement terms and conditions may be modified or other items may be added.

CalSTRS asks Responders to review the Master System Agreement and provide feedback in the table below by entering the following information:

- Section Number – The section number of the Agreement item.
- Title – The name of the Agreement section.
- Comment – A description of the concern or comment regarding the Agreement item. Each comment shall be limited to a maximum of 100 words. If you are suggesting alternate language, provide the reason for the suggestion.
- Suggested Wording – Include specific language changes, if appropriate.

The Responder may add lines as necessary.

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Section 1D Schedule A (Definitions) Feedback Matrix

The prospective Master System Agreement Schedule A (Definitions) is included in the Vendor Library. Prior to inclusion in the Pension Solution RFP, the Definitions may be modified or other items may be added.

CalSTRS asks Responders to review Schedule A (Definitions) and provide feedback in the table below by entering the following information:

- **Item #** – The item number corresponding to the comment.
- **Definition** – The defined term associated with the comment.
- **Comment** – The comment regarding such defined term. Each comment shall be limited to a maximum of 100 words. Where appropriate, include specific language suggested and the reason for such suggestion.

The Responder may add lines as necessary.

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**Section 1E  Schedule X (Service Level Agreements) Feedback Matrix**

The prospective Schedule X (Service Level Agreements) is included in the Vendor Library. Prior to inclusion in the Pension Administration Solution RFP, the Service Level Agreement items may be modified or other items may be added.

CalSTRS asks Responders to review Schedule X (Service Level Agreements) and provide feedback in the table below by entering the following information:

- **Section** – The section number associated with the comment.
- **Title** – The title of such section.
- **Comment** – The comment regarding such section. Each comment shall be limited to a maximum of 100 words. Where appropriate, include specific language suggested and the reason for such suggestion.

The Responder may add lines as necessary.

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Section 1F  Annex X-2 (Service Levels) Feedback Matrix

A description of the Service Levels, including the expected calculation method and measurement period is included in the Vendor Library, Annex X-2 (Service Levels). Prior to inclusion in the Pension Administration Solution RFP, the Service Levels may be modified or other items may be added.

CalSTRS asks Responders to review Annex X-2 (Service Levels) and provide feedback in the table below by entering the following information:

- **Section Number** – The section number associated with the comment.
- **Service Level** – The service level associated with the comment.
- **Subsection** – The subsection of the service level associated with the comment, if applicable.
- **Comment** – The comment regarding such section or subsection. Each comment shall be limited to a maximum of 100 words. Where appropriate, include specific language suggested and the reason for such suggestion.

The Responder may add lines as necessary.

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