



REQUEST FOR PROPOSAL
Notice to Prospective Proposers

You are invited to review and respond to the California State Teachers' Retirement System (CalSTRS), Request for Proposal, RFP, entitled Defined Contribution Program Consultant, RFP Number Doc5642859905. In submitting your proposal, you must comply with the instructions found herein.

Proposals must be submitted to CalSTRS electronically by using the following link: <https://resources.calstrs.com/CalSTRSComResourcesWebUI/Solicitation/Pages/Submission.aspx> and must be received by CalSTRS no later than July 6, 2026, by 2:00 p.m., Pacific Time (PT). Proposals received after the specified date and time may be rejected.

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

Peter Yu
Central Procurement Analyst
California State Teachers' Retirement System
E-mail: Procurement@CalSTRS.com

To ensure a response, questions must be received by June 22, 2026, by 2:00 p.m., PT. Questions received by this date will be answered in writing, without identifying the source of the query. Copies of all questions and CalSTRS responses will be available at caleprocure.ca.gov. Please see Section C, Proposal Requirements and Information, Subsection 2, entitled Submission of Written Questions, for additional information.

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

Please note that no *verbal* information provided will be binding upon CalSTRS unless such information is issued in writing as an official addendum.

Cassandra Lichnock
Chief Executive Officer

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A. INTRODUCTION

CalSTRS is the largest educator-only pension fund in the world. CalSTRS administers a hybrid retirement system, consisting of traditional defined benefit, cash balance, and voluntary defined contribution plans. CalSTRS also provides disability and survivor benefits. CalSTRS serves California's public school educators and their families from the state's school districts, county offices of education and community college districts. For more information on CalSTRS and its various programs, please refer to the CalSTRS Website at: <https://www.CalSTRS.com>.

B. BACKGROUND

The California State Teachers' Retirement System (CalSTRS) administers a comprehensive suite of retirement programs designed to support the long-term financial security of California's educators. In addition to its defined benefit program, CalSTRS oversees the Pension2® Defined Contribution Program, which provides voluntary 403(b), Roth 403(b), 457(b) and Roth 457(b) savings options to eligible employees across K–12 school districts, charter schools, county offices of education, regional occupational programs, and community college districts.

Pension2 currently manages a portfolio valued at approximately \$3.3 billion and serves roughly 40,000 active participants as of February 2026. The program is grounded in the core principles of low cost, transparency, fiduciary discipline, and educator focused service delivery. As the supplemental savings landscape grows in complexity, driven by evolving regulatory requirements, increased employer expectations, heightened participant needs, and rapid changes in investment and recordkeeping technology, CalSTRS seeks to ensure that Pension2 remains a best in class, competitively positioned, and operationally resilient program.

To support these objectives, CalSTRS is seeking a Defined Contribution Program Consultant to provide specialized expertise in investment oversight, fiduciary governance, recordkeeper oversight and accountability, fee benchmarking and cost analysis, regulatory compliance, and plan administration support for its defined contribution programs. The consultant will serve as an independent strategic advisor to CalSTRS staff by providing objective analysis, industry benchmarking, legislative and regulatory guidance, and actionable recommendations that strengthen program governance and enhance retirement readiness outcomes for California educators.

The selected consultant will be expected to demonstrate a deep understanding of the public sector defined contribution environment, including the unique needs of California's educators, employers and employees. Proposers must thoroughly review and address the requirements outlined in Exhibit A – Scope of Work. CalSTRS intends to award a contract for up to two (2) years, with one (1) one-year option to extend. Any contract resulting from this RFP may be amended to add time or money at the sole discretion of CalSTRS at the rates proposed in the awarded vendor's response to this RFP at CalSTRS' discretion.

CalSTRS reserves the right to amend the resulting agreement to authorize additional related services at rates consistent with the awarded Contractor's proposal.

C. PROPOSAL REQUIREMENTS AND INFORMATION

1. Time Schedule

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

<u>Event</u>	<u>Date</u>	<u>Time</u>
Written Question Submittal Deadline	June 22, 2026	2:00 p.m.
Final Date for Proposal Submission	July 6, 2026	2:00 p.m.
Prequalification Evaluation	Date and Time to be determined	
Proposal Evaluation	Date and Time to be determined	
Finalist Interview	Date and Time to be determined	
Notice of Intent to Award	Date and Time to be determined	
Agreement Award	Date and Time to be determined	

2. Submission of Written Questions

Should Proposers have questions regarding the information presenting in this solicitation, Proposers must submit questions in writing to CalSTRS, Peter Yu, Central Procurement Analyst via e-mail at Procurement@CalSTRS.com no later than June 22, 2026 2:00 p.m. PT. CalSTRS will answer all questions received by this date in writing without divulging the source of the query. Copies of all questions and CalSTRS responses will be available at caleprocure.ca.gov.

3. Minimum Qualifications

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

4. Proposal Requirements

To be eligible for evaluation, a proposal must adhere strictly to the format set forth below; failure to do so may result in disqualification. Proposers must address each of the required sections indicated below. Please label and separate each section and number all pages to allow for ease of review by the evaluation team. The content and sequence of the proposal will be as follows:

a. Required Attachments/Exhibits Checklist & Certifications

Attachment 1, Required Attachments/Exhibits Checklist & Certifications, which shall be a part of the proposal package, must be signed by an individual(s) who is authorized to bind the Proposer contractually. An unsigned or incomplete Attachment 1 may cause the proposal to be rejected. For your Proposal to be responsive, all required attachments/exhibits must be returned with the Proposal; Proposals

submitted that do not include the proper “required attachments” may be immediately rejected.

b. Table of Contents

Immediately following Attachment 1, Required Attachments/Exhibits Checklist & Certifications, there must be a comprehensive Table of Contents of the material included in the proposal. The Table of Contents must clearly identify the proposal section/subsection and the applicable page numbers.

c. Required Attachments

Immediately following the Table of Contents, include all remaining required attachments in the appropriate order. All attachments which require signature must be signed by an individual(s) who is authorized to bind the Proposer contractually. **Proposals submitted that do not include the proper required attachments may be immediately rejected.**

d. Proposal Questionnaire

Attachment 3, Proposal Questionnaire, is intended to provide CalSTRS with specific information concerning the firm’s capability to provide services as described in this RFP. Please limit your responses to no more than five (5) pages per section, unless otherwise instructed, and type each question in the same number order as in the questionnaire.

5. Submission of Proposal

CalSTRS is providing the following instructions to allow for electronic submissions of proposals. **Please read these submission instructions carefully. Failure to follow these instructions may result in proposals not being received in a timely manner and may not be accepted.**

- a. All proposals must be submitted to CalSTRS electronically by using the following link:

<https://resources.calstrs.com/CalSTRSComResourcesWebUI/Solicitation/Pages/Submission.aspx>

If Proposers encounter any difficulties uploading proposals, they must promptly notify CalSTRS Procurement at Procurement@CalSTRS.com, with attention to Peter Yu.

Proposals must be received no later than July 6, 2026, 2:00 p.m. PT. Proposals received after the specified date and time may be rejected.

- 1) CalSTRS will only accept **ONE** proposal submission per Proposer.

- 2) Only **ONE** file attachment is allowed and must be in the form of a compressed zip file (7z, RAR, zip, zipx, tar.bz2, and tar.gz). The file size cannot exceed 150MB. The file attachment must include all required documents as listed in Attachment 1 – Required Attachments/Exhibits Checklist & Certifications of this RFP.
 - 3) It is the Proposer's responsibility to ensure that submissions are complete and includes all requested materials. The information contained therein will be the only material that will be reviewed by the evaluation team for purposes of scoring the proposals for this RFP.
 - 4) Proposers may modify their electronic submission by withdrawing their original proposal and resubmitting a new proposal prior to the Proposal Submission Deadline. Proposal modifications submitted in any other manner, oral or written, or after the Proposal Submission Deadline may not be considered. Proposers may withdraw their own proposal by submitting a written withdrawal request to CalSTRS Procurement at Procurement@CalSTRS.com, with attention to Peter Yu. Proposers may thereafter submit a new proposal prior to the Proposal Submission deadline using the foregoing instructions.
 - 5) CalSTRS accepts no responsibility for any technical difficulties or delays associated with the electronic submission and transmission of any proposals.
 - 6) Any other sections in this RFP which address submission of proposals in paper format shall be deemed replaced by the foregoing instructions allowing for electronic submission. Paper submissions will not be accepted for this RFP.
 - 7) Attachment 4, Fee Proposal, shall be a separate document within the electronic submission compressed zip file. The remaining proposal documents shall be saved as one PDF document.
- b. Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- c. A proposal may be rejected if it is conditional or incomplete, deemed non-responsive, or if it contains any alterations of form or other irregularities of any kind. CalSTRS may reject any or all proposals and may waive any immaterial deviation in a proposal. CalSTRS waiver of immaterial defect shall in no way modify the RFP document or excuse the Proposer from full compliance with all requirements if awarded the agreement.

- d. If CalSTRS contacts a Proposer to request clarification or completion of a required attachment and/or exhibit, the Proposer shall have 48-hours to respond to CalSTRS request electronically. If requested documentation is not received within the specified timeframes, CalSTRS may deem the proposal non-responsive.
- e. It is CalSTRS policy not to disseminate the competitive processes in Microsoft Word. We will accept proposals with slight variations in the formatting, as long as the proposal provides required information in the order requested.
- f. Costs for developing proposals, and in anticipation of award of the agreement, are entirely the responsibility of the Proposer and shall not be charged to CalSTRS.
- g. A Proposer may modify a proposal, after its submission, by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline date. Proposal modifications offered in any other manner, oral or written, will not be considered.
- h. CalSTRS may modify the RFP prior to the date fixed for submission of proposals by issuing an addendum that will be posted on caleprocure.ca.gov.
- i. CalSTRS reserves the right to reject all proposals. CalSTRS is not required to award an agreement.
- j. Proposers are cautioned to not rely on CalSTRS during the evaluation to discover and report to the Proposer any defects and errors in the submitted documents. Proposers, before submitting their documents, should carefully proof them for errors and adherence to the RFP requirements.
- k. More than one (1) proposal from an individual, firm, partnership, corporation or association under the same or different names will not be considered. Reasonable grounds for believing that any Proposer has submitted more than one (1) proposal for the work contemplated herein will cause the rejection of all proposals submitted by that Proposer. If there is reason for believing that collusion exists among the Proposers, none of the participants of such collusion will be considered in this or future solicitations.
- l. A joint proposal, where two (2) or more entities submit one (1) proposal, will not be considered for this RFP.

6. Evaluation Process

- a. The proposal must be organized to correspond with all requirements and formats set forth in this RFP. Refer to Section C, Proposal Requirements and Information, Subsection 4 for further information. No assumptions

will be made by CalSTRS regarding the intentions of the Proposer in submitting the proposal.

- b. All proposals submitted will be evaluated for form and content in accordance with the provisions stated in this RFP. Clarifications may be requested from the Proposer at any phase of the evaluation process for the purpose of clarifying ambiguities in the information presented in the proposal.
- c. Proposals and any subsequent presentations should be submitted with the most favorable terms the Proposer can offer. If CalSTRS is unable to execute an agreement with the apparent highest-scoring responsive and responsible Proposer, CalSTRS reserves the right to award the agreement to the next highest-scoring responsive and responsible Proposer.
- d. The purpose of the proposal evaluation process is two-fold: 1) to assess the responses for compliance with the minimum qualifications, content and format requirements; and 2) to identify the Proposers that have the highest probability of satisfactorily performing the services as described herein. The evaluation process will be conducted in a comprehensive and impartial manner as set forth below:

1) Prequalification Evaluation

- a) Upon electronic submission, a confirmation receipt will be sent to the email address provided on the Submission Solicitation Form, which will serve as a date and time stamp.
- b) Each proposal package will be inspected to ascertain that it is properly labeled. Proposals not passing this inspection may not be accepted.
- c) Contents of all proposals may be considered public information when a Notice of Intent to Award is posted.
- d) All proposals will be reviewed to determine if they satisfy the minimum qualifications specified in Attachment 2, Minimum Qualifications, and contain the required submittals specified in Section C, Proposal Requirements and Information.

2) Phase 1, Proposal Evaluation

Proposals that pass the prequalification evaluation will move onto Phase 1, Proposal Questionnaire Evaluation, and undergo an evaluation process conducted by an evaluation team selected by CalSTRS Chief Executive Officer, CEO, or designee. The evaluation team members will individually review proposals and

the evaluation team will come together to evaluate and consensus score the proposals in order to select the top Proposers based on the categories enumerated in Scoring Criteria, Attachment 10. Proposers must receive a minimum of 150 points on, Phase A, the Proposal Evaluation in order to advance to Phase B, Fee Proposal evaluation.

a) Proposal Questionnaire

The Proposal Questionnaire, Attachment 3, is intended to provide CalSTRS with specific information concerning the Proposer's capability to provide "enter basic information" as described in the RFP. The Proposal Questionnaire has a maximum of 200 points.

b) Fee Proposal

The Fee Proposal must cover costs for services as described in Exhibit A, Scope of Work, and submitted in the format prescribed in Attachment 4, Fee Proposal.

The Fee Proposal will have a maximum score of 100 points, as identified on Attachment 10, Scoring Criteria. The Proposer with the lowest fee will receive 100 points. Other proposals will be rated proportionately as follows:

$$\frac{\text{Lowest Fee}}{\text{Proposer's Fee}} \times 100 \text{ Points} = \text{Proposer's Score}$$

3) Phase 2, Disabled Veterans Business Enterprise (DVBE) Incentive

A DVBE Incentive will be awarded to those proposals that meet the confirmed DVBE participation as outlined in the chart below. Confirmed DVBE participation is identified by the dollar amount and/or percentage of DVBE commodities and/or services on Attachment 7, Small Business, Microbusiness, and Disabled Veteran Business Enterprise (DVBE) Commercially Useful Function Related Information and Declaration Form.

The DVBE Incentive points are determined by multiplying the maximum points for the Proposal Evaluation on Attachment 10, Scoring Criteria by the DVBE Incentive percentages.

Confirmed DVBE Participation of:	DVBE Incentive Points
3.01% - 4.00% inclusive	9
4.01% - 5.00% inclusive	12
5.01% and over	15

The DVBE Incentive points will only be applied to responsive bids from responsible Proposers. As provided in California Code of Regulations 1896.99.100, incentive points cannot be used to achieve any applicable minimum point requirements.

Proposers must list the subcontract percentage for each DVBE on Attachment 7, Small Business, Microbusiness, and Disabled Veteran Business Enterprise (DVBE) Commercially Useful Function Related Information and Declaration Form in order to be eligible to receive the DVBE Incentive. Information submitted by Proposers to claim the DVBE Incentive(s) is subject to verification by CalSTRS. For certification purposes, the Proposer will be held to the DVBE Participation percentage proposed on the aforementioned Declaration Form.

4) Phase 3, Finalists Interviews

At the discretion of CalSTRS, the highest scoring Proposers may be invited to an interview with CalSTRS. The interview will have a maximum rating of points identified on Attachment 10, Scoring Criteria. Interview points will be added to the Proposal Questionnaire and Fee Proposal points.

5) Phase 4, Negotiations – Best and Final Offer

CalSTRS may, at its sole discretion, either accept the initial CalSTRS proposal by award of agreement and/or choose to enter into discussions/negotiations with the highest scoring Proposer. At the conclusion of the discussions/negotiations with each Proposer, CalSTRS may request Proposer to submit a BAFO. Only changes discussed in Phase 3 may be included in the BAFO proposal.

CalSTRS will evaluate the changed sections of the Best and Final Offers and select the successful Proposer.

As agreement may be awarded to the Proposer that meets all of the requirements of this RFP and whose proposal offers the best value to CalSTRS.

7. Award and Protest

- a. If at any time during or at the conclusion of this RFP process CalSTRS determines that, in its discretion, the results of this process are unsatisfactory; CalSTRS reserves the right to discontinue this process and decline to award an agreement. If an agreement award is made, the agreement award will be made to the highest-scoring responsive and responsible Proposer satisfying all requirements but may be subject to final negotiations.

- b. Notice of Intent to Award will be posted on the CalSTRS website at www.CalSTRS.com. News releases pertaining to the award resulting from this RFP shall not be made without prior written approval by CalSTRS CEO or their designee.
- c. Any Proposer may file a protest the awarding of the agreement. The protest must be filed within five (5) business days of the date of the Notice of Intent to Award. Within five (5) calendar days after filing the protest, the protesting party shall file, with CalSTRS, a full and complete written statement specifying facts, evidence supporting factual allegations, laws, regulations, or procedures providing grounds for the protest. Protests are limited to the following grounds:
 - 1) CalSTRS failed to substantially adhere to any specified procedures as set out in the RFP.
 - 2) CalSTRS failed to correctly apply the standards for reviewing the format requirements or failed to evaluate the proposals as specified in the RFP.
 - 3) CalSTRS failed to follow evaluation and rating methods as specified in the RFP.
 - 4) CalSTRS proposes to award an agreement to other than the Proposer receiving the highest rating(s) and satisfactorily meeting all requirements of the final agreement negotiations.
 - 5) CalSTRS used a method other than the method set out in the RFP to determine agreement award.
- d. Protests shall be made in writing and submitted electronically to Procurement@CalSTRS.com with attention to **Peter Yu**, identifying the RFP number and title, your firm name and the reason for the protest.

Once a protest has been filed, the agreement may not be awarded until either the protest is withdrawn or CalSTRS has decided the matter. Following the receipt of a protest, the CEO, or designee, of CalSTRS will either decide the matter or refer it to a committee appointed by the board for final resolution. The decision by the CEO, or designee, or the committee of the board shall be final. Notification of the decision will be sent to the protesting party within thirty (30) days after a decision has been reached.

8. Disposition of Proposals

Proposals that contain proprietary information should have a statement to that effect included in Attachment 1, Required Attachments/Exhibits Checklist & Certifications, with a list of all pages designated as proprietary following Attachment 1. For any page(s) to be designated as proprietary, please label

“Proprietary Information” in the upper right-hand corner. CalSTRS will use reasonable efforts to exempt such pages or items from public disclosure except to the extent provided in any resulting agreement or the extent required by law. CalSTRS makes no representations or warranties that such efforts will be successful. Please note that the entire proposal cannot be considered proprietary. Proposal packages may be returned only at the Proposer’s expense.

9. Standard Conditions of Service

- a. All performance under the agreement shall be completed on or before the termination date of the agreement.
- b. CalSTRS does not accept alternate agreement language from a prospective contractor. A proposal with alternate language will be considered a counter proposal and may be rejected. **CalSTRS Terms and Conditions are not negotiable. Please refer to the sample agreement for a sample of the agreement that may be awarded. Proposers should review the sample agreement and terms and conditions included within it before submitting a proposal.**
- c. No oral understanding or agreement shall be binding on either party.

10. Darfur Contracting Act Certification

Pursuant to the Darfur Contracting Act of 2008, Act, “scrutinized companies” are ineligible to submit a proposal for an Agreement with a state agency. As such, the Proposer must certify compliance with the Act by completing (a.) or (b.) as defined below:

- a. Completing Attachment 5, Darfur Contracting Act Certification, certifying that:
 - 1) It is not a scrutinized company pursuant to Public Contract Code, PCC, Section 10476, or
 - 2) It is a scrutinized company as defined by PCC Section 10476 but has received written permission from the Department of General Services to submit a bid or proposal pursuant to PCC Section 10477(b),

OR

- b. Indicating on Attachment 1, Required Attachments/Exhibits Checklist & Certifications, that within the previous three (3) years it has not had any business activities or other operations outside of the United States.

Proposals submitted without a completed Attachment 5, Darfur Contracting Act Certification, may be deemed ineligible unless the Proposer has indicated on Attachment 1, Required Attachments/Exhibits Checklist & Certifications, that it has satisfied the requirements under this section.

11. Iran Contracting Act

Pursuant to the Iran Contracting Act of 2010 (Public Contract Code sections 2200 through 2208 are “the Act”), vendors are ineligible to bid on, submit a proposal for, enter into, or renew any contract with the state for goods or services of one million dollars (\$1,000,000) or more if the vendor engages in investment activities in Iran, as defined in the Act. The Act requires that the Department of General Services (DGS) establish and periodically update a list of ineligible vendors.

Also, pursuant to the Act, financial institutions are ineligible to bid on, submit a proposal for, enter into, or renew any contract with the state for goods or services of one million dollars (\$1,000,000) or more if the financial institution extends credit, as defined in the Act, to a business identified on the DGS list of ineligible vendors that will use the credit to provide goods or services in the energy sector in Iran.

As such, Proposers must certify that they are not on the list of ineligible vendors prohibited from doing business with the State of California. Proposers must submit Attachment 6, Iran Contracting Act, with their proposals.

12. Disabled Veteran Business Enterprise (DVBE) Agreement Participation

Effective January 1, 2021, any contracts resulting from this solicitation on or after 1/1/21, are subject to [Military and Veterans codes 999.5-999.7](#) which resulted from [SB 588 \(Ch. 80, Stats. 2020\)](#). This law requires an awarding department on a contract to withhold \$10,000, or the full payment if it is less than \$10,000, from the final payment on a contract until the certification required is received by the awarding department. For certification purposes, the Proposer will be held to the DVBE Participation percentage proposed on the aforementioned Declaration Form.

PCC Section 10115 requires an agreement participation goal of three percent (3%) DVBE for agreements awarded by CalSTRS. This goal applies to the total agreement dollars expended by CalSTRS annually.

It is the policy of the board that all contracting activities are performed in accordance with all applicable State and Federal laws. The board has adopted a policy that directs staff to encourage, promote, and facilitate the fullest possible participation by disabled veteran business enterprises in agreements awarded by CalSTRS.

DVBE participation of a minimum 3% is mandatory for this RFP.

All Proposers must complete and return Attachment 7, Small Business, Microbusiness, and Disabled Veteran Business Enterprise (DVBE) Commercially Useful Function Related Information and Declaration Form.

13. Diversity, Equity & Inclusion Vendor/Contractor Survey

It is the policy of CalSTRS to survey potential contractors, vendors and consultants for the existence and maturity of their internal and external DEI programs. Inclusion of a DEI survey within the CalSTRS procurement process is consistent with CalSTRS Core Values and CalSTRS Business Plan, supports Sustainable Investment & Stewardship Strategies (SISS) goals, advances the best long-term interests of CalSTRS members, and facilitates the Board of Directors' exercise of its fiduciary duty to prudently invest, manage and administer plan assets. As such, all solicitations shall require all Proposers to respond to the survey in order to be qualified to submit a proposal, as outlined in Attachment 2, Minimum Qualifications. Failure to complete the survey shall result in disqualification. Please utilize this link to access and complete on behalf of the entity: [CalSTRS DE&I Inclusion Vendor/Contractor Survey.](#)

14. Authorized/Key Personnel

- a. Attachment 8, Authorized/Key Personnel, names certain members of the Proposer's staff who will exercise a significant role and perform services in compliance with Exhibit A, Scope of Work, under an agreement that may be awarded by CalSTRS. These personnel shall be hereafter referred to (both individually and collectively) as "Authorized/Key Personnel." This designation does not mean that the individuals have the authority to bind the firm contractually.
- b. Contractor shall not substitute, replace or reassign Authorized/Key Personnel without CalSTRS prior approval. However, with CalSTRS written approval, the parties may agree a change in these Authorized/Key Personnel, and that written approval document shall become a part of the agreement.
- c. An agreement may be terminated immediately with written notice from CalSTRS to the Contractor, at CalSTRS sole discretion, because of any change in or the departure of the Contractor's Authorized/Key Personnel.

15. Warranties

Attachment 12, Warranties, lists the warranties that will be incorporated in any agreement awarded pursuant to this RFP. By signing any agreement awarded pursuant to this RFP, Contractor certifies acceptance of these warranties.

16. Third Party Economic Interest Disclosure

a) Policy

The Third Party Economic Interest Disclosure Policy set forth in the Teachers' Retirement Board Governance Manual requires entities and Key Personnel engaging in business with CalSTRS to disclose campaign

contributions, as defined under the California Political Reform Act, valued in excess of \$250, prohibits providing charitable contributions valued in excess of \$250, and gifts in excess of the current monetary limit established by the Fair Political Practices Commission, as well as requiring the periodic disclosure of campaign contributions, charitable contributions, and gifts. A copy of the current policy is attached as Exhibit D and the Proposer is required to comply with its provisions.

b) Submission of Disclosures

- 1) Upon submission of a proposal (or initial application) to do business with CalSTRS, Attachment 9, Form 600-H Third Party Economic Interest Disclosure, must be submitted on behalf of the:
 - a) Proposer (Entity) (signed by the individual who is authorized to bind the firm contractually) and
 - b) Each of its Authorized/Key Personnel (those who signed Attachment 8).

No other version of this form will be accepted (e.g., annual submittal or generic form downloaded from www.CalSTRS.com).

- 2) Upon execution of an agreement, the successful Contractor must submit another Form 600-H on behalf of the Entity (Proposer) and each of the Authorized/Key Personnel to cover the interim period since the submission of the proposal (initial application).
- 3) After execution of an agreement, the Contractor must submit Form 600-H on an annual basis as specified in the agreement.

c) Changes in Laws or Policy

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

17. Addenda: Errors and Omissions

CalSTRS may modify any part of the RFP in writing by issuance of an addendum. Addenda issued prior to the final filing date for submission of proposals will be available at caleprocure.ca.gov. Addenda issued after the final filing date will be sent to all responding Proposers as appropriate.

If a Proposer discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP, the Proposer shall immediately notify the CalSTRS Procurement Office of such error in writing and request clarification or modification of the document. Such notice shall be given prior to the final filing date for submission of proposals. Modifications or clarifications of the RFP by CalSTRS shall be made by addenda and posted at caleprocure.ca.gov. If, prior to

the final filing date for submission, a Proposer fails to notify CalSTRS of a known error, or an error that reasonably should have been known, the Proposer shall not be entitled to additional compensation or time by reason of the error or its late correction.

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

18. Background Investigation

Selected contractor must demonstrate compliance with Exhibit F, CalSTRS Contractor Background Investigation Policy, for all employees providing services to CalSTRS under the resulting agreement.

19. Statement of Economic Interest (Form 700)

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

20. Supplier Self-Service Portal and CalSTRS' Internet Privacy Principles and Policy

The Proposer must be registered in the CalSTRS integrated on-line financial system, the Supplier Self-Service (SUS) Portal. Registration in the SUS portal allows CalSTRS to establish contracts and schedule payments. During the evaluation stage, CalSTRS' system will be checked to determine if the Proposer's registration already exists or if a registration must be created on the Proposer's behalf.

All Proposers must review CalSTRS' Internet Privacy Principles and Policy [here](#), then certify in section C of Required Attachments/Exhibits Checklist & Certifications, in Attachment 1 below.

Additionally, all Proposers must submit Attachment 13 *Business Partner Form* (Form 1570), with their proposal. Instructions for completing the form.

D. PREFERENCE PROGRAMS

Proposers who may have questions regarding the following bid preferences may contact the Office of Small Business and DVBE Services at (916) 375-4940 or the TACPA Preference Program Group at (916) 375-4609.

1. Small Business Preference – <https://www.dgs.ca.gov/PD>
2. Disabled Veteran Business Enterprise Incentive – <https://www.dgs.ca.gov/PD>
3. Target Area Contract Preference Act, TACPA – <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>

ATTACHMENT 1

REQUIRED ATTACHMENTS/EXHIBITS CHECKLIST & CERTIFICATIONS

Please complete this checklist and certifications form providing information about the proposing firm and to confirm the items below are in your proposal. Place a check mark or “X” next to each item that you are submitting to CalSTRS. For your proposal to be responsive, all required attachments must be returned, including this form, Attachment 1. Attachment 1 must be signed by an individual(s) authorized to bind the Proposer contractually.

Original signatures are not required at this time. Acceptable signature options for this RFP include scanned images of manual signatures, DocuSign, or Adobe electronic signature service. An unsigned or incomplete Attachment 1 may cause the proposal to be rejected.

A. PROPOSER’S FIRM INFORMATION

1. Organizational structure (e.g., corporation, partnership, etc.)	
2. FEIN or CIN	
3. Firm’s (Entity) Contact Information: a. Address b. Phone Number c. Facsimile Number	
4. Firm’s Primary Liaison: a. Name b. Phone Number c. E-mail address	
5. Representative(s) Authorized to Bind the Firm contractually: a. Name b. Title c. Phone Number d. E-mail address	

B. PROPRIETARY INFORMATION

Should the proposal contain proprietary information, please place a check mark or an “X” next to the item marked “yes” below and attach an additional sheet to this form. The additional sheet shall list the page numbers and subsections, if applicable, of the proprietary information. The page(s) within the proposal to be considered proprietary shall be clearly marked in the upper right hand corner of the page(s).

Please note: The entire proposal cannot be considered proprietary.

_____ Yes, this proposal includes proprietary information and I have complied with the instruction above: pages are clearly marked and a separate sheet listing the pages with subsections, if applicable, has been attached.

ATTACHMENT 1

REQUIRED ATTACHMENTS/EXHIBITS CHECKLIST & CERTIFICATIONS (CONT.)

C. CHECKLIST

Attachments/Exhibits

Attachment Name

_____ Attachment 1
_____ Attachment 2
_____ Attachment 3
_____ Attachment 4
_____ Attachment 5

Required Attachments/Exhibits Checklist & Certifications
Minimum Qualifications
Proposal Questionnaire
Fee Proposal
Darfur Contracting Act Certification*

☐ Check if not required*

Please note: If this certification is not required for your agency, do NOT place a check mark on the line next to Attachment 5. Instead, simply check the box above that will indicate it is not required.

For more information the Darfur Contracting Act requirements, please see C.10 .

_____ Attachment 6
_____ Attachment 7

Iran Contracting Act
Small Business, Microbusiness, and Disabled Veteran
Business Enterprise (DVBE) Commercially Useful Function
Related Information and Declaration Form

_____ Attachment 8
_____ Attachment 9

Authorized/Key Personnel
Form 600-H Third Party Economic Interest Disclosure
(On behalf of the entity)

_____ Attachment 9

Form 600-H Third Party Economic Interest Disclosure
(For each Authorized/Key Personnel, per Attachment X)

_____ Attachment 11
_____ Attachment 13

Proposing Firm References

Business Partner Form (Form 1570)

☐ Yes, I've read the CalSTRS' [Internet Privacy Principles and Policy](#) and accept the terms. I understand if a registration is not already located in CalSTRS' system, one will be created on this Proposer's behalf.

Other Required Documents from Proposal Questionnaire and/or Minimum Qualifications:

_____ Applicable Documents (i.e. Resume)
_____ Copy of State of California Business License

If applicable:

_____ Small Business Preference
<https://www.dgs.ca.gov/PD>
_____ Disabled Veteran Business Enterprise Incentive
<https://www.dgs.ca.gov/PD>
_____ Target Area Contract Preference Act, TACPA
<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>

ATTACHMENT 1

REQUIRED ATTACHMENTS/EXHIBITS CHECKLIST & CERTIFICATIONS (CONT.)

D. CERTIFICATIONS

By signing this form, Attachment 1, I (we) certify:

1. The information contained in this proposal is accurate and that all required documents (e.g., attachments, exhibits, forms, etc.) to be submitted as a part of this proposal are certified to be true and binding upon the Proposer.
2. This is a firm and irrevocable offer good for one (1) year.
3. Our willingness to perform the services as described in the RFP.
4. The availability of staff and other required resources for performing all services and providing all deliverables as described in this RFP.

**Signature of Person Authorized to Bind
The Proposing Firm Contractually**

Printed Name and Title

Date

ATTACHMENT 2

MINIMUM QUALIFICATIONS

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

1. As of the final date for proposal submission, the Proposer must have least three (3) years of experience providing consulting or advisory services related to public-sector 403(b) or 457(b) defined contribution retirement programs, as evidenced by three (3) verifiable client references listed on Attachment 10, Proposed Personnel Summary and Reference Sheet.

Yes ☐

No ☐

2. As of the final date for proposal submission, the Proposer must have at least five (5) years of experience providing institutional defined contribution consulting services, including investment oversight, fiduciary governance, fee benchmarking, recordkeeping oversight, investment policy support, and/or glide path or strategic asset allocation advisory services for public-sector of similarly complex retirement programs, and related services with the same or similar requirements specified within Exhibit A, Scope of Work, as evidenced by three (3) verifiable client references listed on Attachment 10, Proposed Personnel Summary and Reference Sheet.

Yes ☐

No ☐

3. As of the final date for proposal submission, the Proposer must at least three (3) years of experience providing regulatory compliance, legislative monitoring, plan document advisory services related to 403(b) and/or 457(b) retirement programs, and related services with the same or similar requirements specified within Exhibit A, Scope of Work, as evidenced by three (3) verifiable client references listed on Attachment 10, Proposed Personnel Summary and Reference Sheet.

Yes ☐

No ☐

4. As of the final date for proposal submission, the Proposer must be legally authorized and appropriately registered, licensed, or otherwise qualified to provide the consultant and/or investment advisory services described in the Scope of Work, for a minimum of three (3) years as evidenced by submission of copies of any applicable registrations, license(s), or certifications for those three (3) years. In addition, the Proposer must be authorized to do business in the State of California as evidenced by the submission of a copy of the Proposer's applicable business license with the State of California.

Yes ☐

No ☐

5. As of the final date for proposal submission, the Proposer must have an office in California.

Yes ☐

No ☐

ATTACHMENT 3

PROPOSAL QUESTIONNAIRE

The Proposal Questionnaire is intended to provide CalSTRS with specific information concerning the Proposer's capability to provide services as described in this RFP. Limit your response to this questionnaire to no more than five (5) pages per section and type each question in the same number order as in the questionnaire.

Consulting Services Section A

1. Describe your experience providing investment oversight and fiduciary consulting services for public-sector defined contribution programs, including investment monitoring, fee benchmarking, fund evaluation, and committee support.
2. Describe your experience advising public-sector defined contribution retirement programs on governance, investment structure, and program enhancement initiatives.
3. Describe your experience providing continuing consultation and support related to Investment Policy Statements (IPS) for defined contribution retirement programs, including:
 - a. Assisting with IPS implementation and governance processes.
 - b. Reviewing and recommending updates to IPS language and policy provisions.
 - c. Drafting or updating IPS documentation.
4. Describe your experience providing glide path, target date, lifecycle, or strategic asset allocation advisory services for defined contribution retirement programs.
5. Provide an example of a quarterly or annual investment monitoring, benchmarking, or fiduciary oversight report prepared for a defined contribution retirement program.

Consulting Services Section B

1. Describe your experience supporting public-sector procurements and contract oversight activities related to defined contribution retirement programs, including recordkeeper, investment, or consulting services.
2. Describe your experience providing independent oversight and evaluation of defined contribution plan recordkeepers, including service-level monitoring, fee review, operational performance assessment, and governance recommendations.
3. Describe your experience drafting, reviewing and providing advice regarding amendments or extensions to existing service and consultant contracts for all plans offered.

4. Describe your experience participating in meetings or conference calls with recordkeepers, investment providers, consultants, legal counsel, or other stakeholders to support defined contribution program operations and governance.

Consulting Services Section C

1. Describe your experience monitoring and advising clients regarding legislative, regulatory, and compliance developments affecting 403(b), 457(b), Roth 403(b), and related defined contribution retirement programs.
2. Describe your experience providing recommendations related to legislative proposals, regulatory changes, plan amendments, or program modifications affecting defined contribution retirement programs.
3. Describe your experience supporting the drafting, updating, or review of 403(b) and/or 457(b) plan documents and related administrative documentation.

Consulting Services Section D

1. Describe your approach to providing responsive ad hoc consulting support for defined contribution retirement programs.
2. Describe your experience advising defined contribution plan administrators regarding industry trends, evolving investment products, retirement readiness strategies, and public-sector plan best practices.

ATTACHMENT 4

FEE PROPOSAL

CalSTRS plans to compensate the successful proposer on an hourly rate for actual work performed with the prior approval by CalSTRS. Invoices will be itemized and submitted quarterly in arrears.

The total hours of resources proposed must equal 300 hours per year of the contract. Annual increases (if any) may total no more than five percent from previous year. This amount of 300 hours is for comparative purposes only and there is no guarantee of actual hours to be performed. The hourly rate shall include ALL costs (including supplies, travel, per diem, and subcontractor services) for providing Defined Contribution consultant services to CalSTRS as described in the Scope of Work, Exhibit A.

A zero-dollar (\$0.00) amount listed for any item will mean that the bidder will perform services at no cost to CalSTRS.

Staff Level / Title	Hours	Hourly Rate	Total	<u>TOTALS</u>
	300	TOTAL CONSULTANT SERVICES ¹		
COSTS PER YEAR CONTRACT TERM				
Year 1	Year 2			
\$	\$			
TOTAL COSTS FOR 2-YEAR CONTRACT TERM ²				\$ (A)
COSTS FOR 1-YEAR OPTION TO EXTEND CONTRACT				
Year 3				
\$				
TOTAL COSTS FOR 1-YEAR EXTENSIONS ³				\$ (B)

¹ Total shall be calculated assuming 300 total hours of services provided by all levels of staff (including supplies, travel, per diem, and subcontractor services) for one year of service. Hours x hourly rate = total cost of service

² Shall be calculated per fiscal year with no more than a 5% increase of prior year to equal the 2-year contract term total, assuming same level of service provided in year 1, for all contract term years.

³ Shall be calculated per fiscal year with no more than a 5% increase of prior year to equal the 1-year contract option to extend total, assuming same level of service provided in year 2, for all contract term years.

ATTACHMENT 5

DARFUR CONTRACTING ACT CERTIFICATION

Public Contract Code Sections 10475 -10481 applies to any company that currently or within the previous three (3) years has had business activities or other operations outside of the United States. For such a company to bid on or submit a proposal for a State of California contract, the company must certify that it is either a) not a scrutinized company; or b) a scrutinized company that has been granted permission by the Department of General Services (DGS) to submit a proposal.

If your company has not, within the previous three (3) years, had any business activities or other operations outside of the United States, you do **not** need to complete this form.

Original signatures are not required at this time. Acceptable signature options for this RFP include scanned images of manual signatures, DocuSign, or Adobe electronic signature service.

OPTION #1 - CERTIFICATION

If your company, within the previous three (3) years, has had business activities or other operations outside of the United States, in order to be eligible to submit a bid or proposal, please insert your company name and Federal ID Number and complete the certification below.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that a) the prospective Proposer/Bidder named below is **not** a scrutinized company per Public Contract Code 10476; and b) I am duly authorized to legally bind the prospective Proposer/Bidder named below. This certification is made under the laws of the State of California.

<i>Company/Vendor Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County and State of</i>	

OPTION #2 – WRITTEN PERMISSION FROM DGS

Pursuant to Public Contract Code section 10477(b), the Director of DGS may permit a scrutinized company, on a case-by-case basis, to bid on or submit a proposal for a contract with a state agency for goods or services, if it is in the best interests of the state. If you are a scrutinized company that has obtained written permission from DGS to submit a bid or proposal, complete the information below.

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

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Initials of Submitter</i>	
<i>Printed Name and Title of Person Initialing</i>	

ATTACHMENT 6

IRAN CONTRACTING ACT
(Public Contract Code sections 2202-2208)

Prior to bidding on, submitting a proposal or executing a contract or renewal for a State of California contract for goods or services of \$1,000,000 or more, a vendor must either: a) certify it is **not** on the current list of persons engaged in investment activities in Iran created by the California Department of General Services (“DGS”) pursuant to Public Contract Code section 2203(b) and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that other person will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS; or b) demonstrate it has been exempted from the certification requirement for that solicitation or contract pursuant to Public Contract Code section 2203(c) or (d).

To comply with this requirement, please insert your vendor or financial institution name and Federal ID Number (if available) and complete **one** of the options below. Please note: California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts. (Public Contract Code section 2205.) Original signatures are not required at this time. Acceptable signature options for this RFP include scanned images of manual signatures, DocuSign, or Adobe electronic signature service.

OPTION #1 - CERTIFICATION

I, the official named below, certify I am duly authorized to execute this certification on behalf of the vendor/financial institution identified below, and the vendor/financial institution identified below is **not** on the current list of persons engaged in investment activities in Iran created by DGS and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person/vendor, for 45 days or more, if that other person/vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS.

<i>Vendor Name/Financial Institution (Printed)</i>		<i>Federal ID Number (or n/a)</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in</i>	

OPTION #2 – EXEMPTION

Pursuant to Public Contract Code sections 2203(c) and (d), a public entity may permit a vendor/financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enters into or renews, a contract for goods and services.

If you have obtained an exemption from the certification requirement under the Iran Contracting Act, please fill out the information below, and attach documentation demonstrating the exemption approval.

<i>Vendor Name/Financial Institution (Printed)</i>	<i>Federal ID Number (or n/a)</i>
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	<i>Date Executed</i>

ATTACHMENT 7

SMALL BUSINESS, MICROBUSINESS, AND DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) COMMERCIALLY USEFUL FUNCTION RELATED INFORMATION AND DECLARATION FORM

State law in Government Code Section 14837 and Military and Veterans Code Section 999 require that Certified Small Business, Microbusiness and Disabled Veteran Business Enterprise (DVBE) contractors, subcontractors, or suppliers must provide goods or services to the state by performing a commercially useful function (CUF).

A Certified Small Business, Microbusiness or DVBE contractor, subcontractor or supplier is considered to be performing a CUF when it meets all of the following criteria:

- Is responsible for the execution of a distinct element of work for the contract;
- Carries out contractual obligations by actually performing, managing, or supervising the work involved;
- Performs work that is normal for its business services and functions;
- Is responsible, with respect to products, inventories, materials, and supplies required for the contract, for negotiating price, determining quality and quantity, ordering, installing, if applicable, and making payment;
- Is not further subcontracting a portion of the work that is greater than expected to be subcontracted by normal industry practices; and,
- Its role is not limited to that of an extra participant in the transaction, contract or project through which funds are passed in order to obtain the appearance of Small Business, Microbusiness, or DVBE participation.

CUF requirement compliance must be declared by a bidder for CalSTRS contracting and then validated with a determination by CalSTRS.

All bidders for a CalSTRS contract must complete and submit the attached GSPD-05-105 Bidder Declaration form with their responses to any CalSTRS solicitation for contracting.

- Failure to complete or submit the Bidder Declaration form is cause for rejection of bid.
- The Bidder Declaration must be submitted under the penalty of perjury.
- Fraudulent representation of performing a CUF is unlawful and could carry a civil penalty.

Upon receipt of a response with the Bidder Declaration, CalSTRS contracting staff will validate the claims of fulfilling CUF requirements by reviewing the response and conducting follow up investigation if necessary. CalSTRS contracting staff must make a determination that the bidding contractor and subcontractor are in compliance with the CUF requirements. In case of determining incompliance, the bid may be rejected. There is no right to protest a rejection based on CUF incompliance.

For further information on the CUF compliance please contact:

Procurement@CalSTRS.com
916-414-4880

Attachment: GSPD-05-105 Bidder Declaration form

BIDDER DECLARATION

1. Prime bidder information (Review attached Bidder Declaration Instructions prior to completion of this form):

- a. Identify current California certification(s) (MB, SB, NVSA, DVBE): _____ or None ☐ (If "None," go to Item #2)
- b. Will subcontractors be used for this contract? Yes ☐ No ☐ (If yes, indicate the distinct element of work your firm will perform in this contract e.g., list the proposed products produced by your firm, state if your firm owns the transportation vehicles that will deliver the products to the State, identify which solicited services your firm will perform, etc.). Use additional sheets, as necessary.
- _____
- _____
- c. If you are a California certified DVBE: (1) Are you a broker or agent? Yes ☐ No ☐
(2) If the contract includes equipment rental, does your company own at least 51% of the equipment provided in this contract (quantity and value)? Yes ☐ No ☐ N/A ☐

2. If no subcontractors will be used, skip to certification below. Otherwise, list all subcontractors for this contract. (Attach additional pages if necessary):

Subcontractor Name, Contact Person, Phone Number & Fax Number	Subcontractor Address & Email Address	CA Certification (MB, SB, NVSA, DVBE or None)	Work performed or goods provided for this contract	Corresponding % of bid price	Good Standing?	51% Rental?
					☐	☐
					☐	☐
					☐	☐

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

BIDDER DECLARATION Instructions

All prime bidders (the firm submitting the bid) must complete the Bidder Declaration.

- 1.a.** Identify all current certifications issued by the State of California. If the prime bidder has no California certification(s), check the line labeled "None" and proceed to Item #2. If the prime bidder possesses one or more of the following certifications, enter the applicable certification(s) on the line:

- Microbusiness (MB)
- Small Business (SB)
- Nonprofit Veteran Service Agency (NVSA)
- Disabled Veteran Business Enterprise (DVBE)

- 1.b.** Mark either "Yes" or "No" to identify whether subcontractors will be used for the contract. If the response is "No," proceed to Item #1.c. If "Yes," enter on the line the distinct element of work contained in the contract to be performed or the goods to be provided by the prime bidder. Do not include goods or services to be provided by subcontractors.

Bidders certified as MB, SB, NVSA, and/or DVBE must provide a commercially useful function as defined in Military and Veterans Code Section 999 for DVBEs and Government Code Section 14837(d)(4)(A) for small/microbusinesses.

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

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

- 1.c.** This item is only to be completed by businesses certified by California as a DVBE.

- (1) Declare whether the prime bidder is a broker or agent by marking either "Yes" or "No." The Military and Veterans Code Section 999.2 (b) defines "broker" or "agent" as a certified DVBE contractor or subcontractor that does not have title, possession, control, and risk of loss of materials, supplies, services, or equipment provided to an awarding department, unless one or more of the disabled veteran owners has at least 51-percent ownership of the quantity and value of the materials, supplies, services, and of each piece of equipment provided under the contract.
- (2) If bidding rental equipment, mark either "Yes" or "No" to identify if the prime bidder owns at least 51% of the equipment provided (quantity and value). If **not** bidding rental equipment, mark "N/A" for "not applicable."

- 2.** If no subcontractors are proposed, do not complete the table. Read the certification at the bottom of the form and complete "Page ____ of ____" on the form.

If subcontractors will be used, complete the table listing all subcontractors. If necessary, attach additional pages and complete the "Page ____ of ____" accordingly.

2. (continued) Column Labels

Subcontractor Name, Contact Person, Phone Number & Fax Number—List each element for all subcontractors.

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

CA Certification (MB, SB, NVSA, DVBE or None)—If the subcontractor possesses a current State of California certification(s), verify on this website (www.eprocure.pd.dgs.ca.gov).

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

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

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

- Possesses valid license(s) for any license(s) or permits required by the solicitation or by law
- If a corporation, the company is qualified to do business in California and designated by the State of California Secretary of State to be in good standing
- Possesses valid State of California certification(s) if claiming MB, SB, NVSA, and/or DVBE status

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

Enter "N/A" if the:

- Subcontractor is NOT a DVBE (regardless of whether or not rental equipment is provided by the subcontractor) or
- Subcontractor is NOT providing rental equipment (regardless of whether or not subcontractor is a DVBE)

Enter "Yes" if the subcontractor is a California certified DVBE providing rental equipment and the subcontractor owns at least 51% of the rental equipment (quantity and value) it will be providing for the contract.

Enter "No" if the subcontractor is a California certified DVBE providing rental equipment but the subcontractor does NOT own at least 51% of the rental equipment (quantity and value) it will be providing.

Read the certification at the bottom of the page and complete the "Page ____ of ____" accordingly.

ATTACHMENT 8

AUTHORIZED/KEY PERSONNEL

Please list the names and titles of the personnel authorized to conduct business (deliver services) on behalf of the Contractor in a decision-making capacity:

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

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

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

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

Form 600-H

THIRD PARTY ECONOMIC INTEREST DISCLOSURE

Pursuant to Section 4, subsection G, of the Teachers' Retirement Board Governance Manual, entitled "Third Party Economic Interest Disclosure Policy", any Entity/Entities and its Key Personnel who engage in business with CalSTRS are required to make specific public disclosures.¹ Entities and each of their Key Personnel must complete and file separate forms. The below identified Entity/Entities or its Key Personnel hereby make the following disclosures. (Please attach other sheets if more space is needed for disclosure and indicate enclosures.)

Identification of Filer (Key Personnel or Entity – separate filings required)

Name of Entity:		Reported on behalf of Entity ☐
Key Personnel or Person Making Disclosure:		
Relationship Category (Please choose the one that is most appropriate to this relationship):		
☐ Investment		
If Other:		
☐ Non-Investment		
Contractor / Consultant - Description of Service Provided:		
Investment Asset Class		
		If Other:

Mailing Address:					
	Number	Street	City/Locality	State/Province	Zip
Telephone:			E-mail Address:		

Filing and Disclosure Period

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

	A. At Solicitation of an initial application or proposal to do business with CalSTRS (covers preceding 12-month period)
	B. At Contract/Agreement for execution of services (signature) to cover the interim period since the initial application
	C. Annual disclosure for the previous calendar year
	D. New Key Personnel

¹ See Teachers' Retirement Board Governance Manual Section 4, subsection G (1)(a) and (b) for definitions of Entity, Entities and Key Personnel.

Form 600-H

1. Disclosure of Campaign Contributions

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

☐ **Nothing to report**

☐ Attachment is enclosed

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

2. Disclosure of Charitable Contributions

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

☐ **Nothing to report**

☐ Attachment is enclosed

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

3. Disclosure of Gifts²

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

☐ **Nothing to report**

☐ Attachment is enclosed

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

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

Signature

Title

Printed Name

Date

² See Teachers' Retirement Board Governance Manual Section 4, subsection G (1)(c), for definition of "Gift".

ATTACHMENT 10

SCORING CRITERIA

Proposing Firm

Phase	Evaluation	Maximum Points
Phase 1	PROPOSAL EVALUATION	
	1.A Proposal Questionnaire Evaluation Score ①	200 Points
	1.B Fee Proposal Evaluation Score	100 Points
	SUBTOTAL SCORE (Phase 1)	300 Points
Phase 2	DVBE INCENTIVE②	15 Points
Phase 3	Finalists Interviews (Optional) ③	100 Points
Phase 4	Best and Final Offer (BAFO) ④	

① Points for fees will be computed for proposals that score a minimum of 150 on Technical Evaluation.

② DVBE Incentive points will be applied as follows:

- 9 points (3% of Subtotal Score) if the Proposer provides from 3.01-4.00% DVBE participation on Attachment 7 of the RFP
- 12 points (4% of Subtotal Score) if the Proposer provides 4.01-5.00% DVBE participation on Attachment 7 of the RFP
- 15 points (5% of Subtotal Score) if the Proposer provides 5.01% or greater DVBE participation on Attachment 7 of the RFP

③ The highest scoring Proposers from Phases 1-2 may be considered Finalists and invited to a Finalist Interview, at CalSTRS discretion. If Finalist interviews are conducted, the Proposer with the highest finalist interview score may be awarded an agreement, at CalSTRS discretion. If interviews are not conducted, the Proposer with the highest Total Score may be awarded an agreement, at CalSTRS' discretion.

④ The highest scoring Proposer(s) may be invited to participate in the Best and Final Offer (BAFO) process, at CalSTRS' discretion.

The Proposer with the highest total score may be awarded an agreement, at CalSTRS' discretion.

ATTACHMENT 11

PROPOSING FIRM REFERENCES

As requested on Minimum Qualification, Attachment 2, list below client references:

- Three (3) references for which your firm has provided at least three (3) years of experience designing, implementing, or configuring 403(b) or 457(b) pension plans in California. Submit a recent Client List that supports this information.
- Three (3) client references, for which your firm has provided at least five (5) years of experience providing financial project design, development, implementation, analysis, financial consulting, evaluating, and related services with the same or similar requirements specified within Exhibit A, Scope of Work.
- Three (3) client references, for which your firm has provided at least three (3) years of experience providing legislative monitoring, data integration, and strategic planning and engagement services with the same or similar requirements specified within Exhibit A, Scope of Work.

Failure to complete and return this Attachment may cause your proposal to be rejected.

REFERENCE 1

Name of Firm			
Street Address	City	State	Zip Code

Contact Person	Telephone Number
----------------	------------------

Dates of Service

Brief Description of Service Provided

REFERENCE 2

Name of Firm			
Street Address	City	State	Zip Code

Contact Person	Telephone Number
----------------	------------------

Dates of Service

Brief Description of Service Provided

ATTACHMENT 11

PROPOSING FIRM REFERENCES (CONT.)

REFERENCE 3

Name of Firm

Street Address

City

State

Zip Code

Contact Person

Telephone Number

Dates of Service

Brief Description of Service Provided

REFERENCE 4

Name of Firm

Street Address

City

State

Zip Code

Contact Person

Telephone Number

Dates of Service

Brief Description of Service Provided

REFERENCE 5

Name of Firm

Street Address

City

State

Zip Code

Contact Person

Telephone Number

Dates of Service

Brief Description of Service Provided

ATTACHMENT 11

PROPOSING FIRM REFERENCES (CONT.)

REFERENCE 6

Name of Firm

Street Address

City

State

Zip Code

Contact Person

Telephone Number

Dates of Service

Brief Description of Service Provided

REFERENCE 7

Name of Firm

Street Address

City

State

Zip Code

Contact Person

Telephone Number

Dates of Service

Brief Description of Service Provided

REFERENCE 8

Name of Firm

Street Address

City

State

Zip Code

Contact Person

Telephone Number

Dates of Service

Brief Description of Service Provided

ATTACHMENT 11

PROPOSING FIRM REFERENCES (CONT.)

REFERENCE 9

Name of Firm

Street Address

City

State

Zip Code

Contact Person

Telephone Number

Dates of Service

Brief Description of Service Provided

ATTACHMENT 12

WARRANTIES

The signature affixed on Attachment 1 – Required Attachments/Exhibits Checklist & Certifications, certifies that the Proposer agrees to the incorporation of the following warranties in any contract awarded pursuant to this RFP:

1. Proposer warrants that it maintains errors and omissions insurance providing a prudent amount of coverage for negligent acts or omissions and that such coverage is applicable to Proposer's actions under the Contract.
2. Proposer warrants that it has implemented and enforces a policy designed to insure that its employees and individuals subject to its control do not engage in insider trading proscribed by federal and state securities laws and regulations.
3. Proposer warrants that it maintains insurance coverage for injuries to persons and/or property damage as may arise from or in conjunction with, the work performed on behalf of CalSTRS, its agents, representatives, employees or subcontractors.



ATTACHMENT 13

Business Partner Form (BPF)

Completion of the Business Partner Form (BPF) is required to do business with CalSTRS. **Upon completion, date, electronically sign,** and e-mail a copy to Partners@calstrs.com. The contact information provided here will be used as the vendor's primary point of contact for managing general vendor account information with CalSTRS.

BUSINESS INFORMATION

Business Name:	
Payee's Legal Name: <i>(If different from above)</i>	
Address: <i>(Include: Suite/Room Number, Attn., Mail Stop)</i>	
City, State, Zip Code:	
Country: <i>(2-Letter Country Code; e.g. US, GB, etc.)</i>	
Point of Contact - First and Last Name:	
Telephone Number:	
Email Address:	

PAYMENT INFORMATION

Please add payment/remit addresses if different than above. In addition to the payee remit name, be sure to include any departments or individuals who should be referenced for payment. This information should match invoices sent to CalSTRS to ensure processing. Additional remit pages can be attached to this form if necessary.

Payee/Remit 1	
Payee/Remit Name:	
Address: <i>(Include: Suite/Room Number, Attn, Mail Stop)</i>	
City, State, Zip Code	
Country: <i>(2 Letter Country Code, e.g. US, GB, etc.)</i>	
Payee/Remit 2	
Payee/Remit Name:	
Address: <i>(Include: Suite/Room Number, Attn, Mail Stop)</i>	
City, State, Zip Code	
Country: <i>(2 Letter Country Code, e.g. US, GB, etc.)</i>	

TAX REPORTING AND WITHHOLDING INFORMATION

Federal Tax Information (US-Based Individuals and Entities)	
Taxpayer Identification Number (TIN): <i>For entities, other than Sole Proprietor (individuals), enter your employer identification number (EIN).</i>	
Social Security Number (SSN) <i>For Sole Proprietor (individuals), enter your social security number.</i>	
Federal Tax Classification – Business Entity Type	
Exemptions: Exempt payee code (if any)	
Exemptions: Exemption from FATCA reporting code (if any)	
If your Federal Tax Classification is “Corporation” as indicated in the question above, do you provide either medical or legal services to CalSTRS?	Medical Services Yes No
	Legal Services Yes No
State Tax Information (US and Foreign-Based Individuals and Entities)	
Are you qualified to do business in California or do you maintain a permanent place of business in California?	YES NO
Do you have a Franchise Tax Board (FTB) waiver of state withholding? If yes, please attach a copy of FTB’s determination letter	YES NO
Will all services be performed outside of the State of California?	YES NO

By signing below, I certify that: 1) The TIN, SSN or ITIN shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and 3) I am a U.S. citizen or other U.S. person, and 4) The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct, and 5) I am authorized to sign on behalf of the entity.

Signature (US Based Only)**Name****Date**

Foreign Tax Information (US and Foreign-Based Individuals and Entities)	
Are you a foreign (not a U.S. Citizen or Permanent Resident Alien) vendor-Sole Proprietor (Individual), Partnership, or Corporation? If yes, please submit the appropriate IRS Form W-8 series or Form 8233 (www.irs.gov).	YES NO
Will all services be performed outside the United States?	YES NO

If you answered "Yes" you are a Foreign vendor, please sign and date here:

Signature (Foreign Based Only)**Name****Date****California Small Business (SB), Disabled Veteran Business Enterprise (DVBE) & Micro Business (MB):**

Complete this section only if you are currently registered as a Small Business, Micro Business, or Disabled Veteran Business Enterprise with the California Department of General Services www.dgs.ca.gov.

Small Business /Micro Business# _____ Disabled Veteran Business Enterprise# _____

Business Information

Business Name: Enter the informal business name, doing business as (DBA) name or disregarded entity name if different from Payee's Legal Name.

Payee's Legal Name: If you are an individual/sole proprietor or single-member LLC, enter your name as shown on your federal tax return. If you are a partnership, LLC that is not a single-member LLC, a C corporation, or an S corporation, enter the entity name as it appears on your federal income tax return. The name on this line should never be a disregarded entity.

Email Address: We will notify you at this address for registration in the Self-Service Portal and when purchase order information is available in Portal.

Payment Information

Complete this section if your business name and or address on your invoices are different than the business address listed. The information that is populated on "Payee/Remit Name and Address" section, must be identical to the payee/remit to name and address on invoices as CalSTRS cannot process payments to a payee remit to a name and address which is not on file.

Federal Tax Information

Taxpayer Identification Number (TIN): Enter the TIN of the person or entity named on the "Payee's Legal Name" line above. For individuals, the TIN is generally a social security number (SSN). If the name and TIN you provide do not match the information in federal tax records, CalSTRS is required to apply backup withholding to your payments. Backup withholding may be imposed at a later time, pursuant to federal tax requirements, even if it is not applied with your first payment. If you are a sole proprietor and you have an Employer Identification Number (EIN), you may enter your SSN or your EIN. If you are a single-member LLC that is a disregarded entity, enter your SSN or EIN, but not the EIN of the disregarded entity. For an LLC that is classified for federal tax purposes as a corporation or partnership, enter the entity's EIN.

Sole Proprietor: Enter your SSN, Individual Taxpayer Identification Number (ITIN), Adoption Taxpayer Identification Number (ATIN) or EIN if you are a sole proprietor who is not eligible to obtain a SSN, you may enter your ITIN or ATIN.

LLC-Single Member, Disregarded Entity: Enter your SSN or EIN (not the EIN of the disregarded entity).

LLC-Corporation or Partnership: Enter the entity's EIN.

Federal Tax Classification and exemption codes: Please make a selection from each drop-down list. More information regarding these selections can be found in the instructions for forms W-9 (U.S. vendors), W-8 (foreign vendors), 8233 (Exemption from Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual), and 1042-S (Foreign Person's U.S. Source Income Subject to Withholding) available at www.irs.gov.

Federal Tax Classification—Business Entity Type

From the drop down menu, select the federal tax classification that applies to your business. The classification indicated here should be the same classification you enter on Line 3 of your W-9 Form.

Exemptions: Exempt Payee Code (if any):

If you are exempt from backup withholding, select any code that may apply to you. This field corresponds with Line 4 of your W-9 form. Generally, individuals (including sole proprietors) are not exempt from backup withholding.

Exemptions: Exemption from Foreign Account Tax Compliance Act (FATCA) Reporting (if any):

If you are exempt from FATCA reporting, select any code that may apply to you. This field corresponds with Line 4 of your W-9 form.

Corporations providing Medical or Legal Services:

U.S. corporations are generally exempt from information reporting on IRS Form 1099-MISC; however, payments for medical and legal services are subject to reporting. Please indicate whether your company provides either medical or legal services to CalSTRS.

State Tax Information:**Are you qualified to do business in California or do you maintain a permanent place of business in California?**

Individuals are qualified to do business in California if they are California residents. Corporations, LLC's, and partnerships are qualified to do business in California if they are registered with the California Secretary of State or if they have a permanent place of business in California.

Do you have a Franchise Tax Board (FTB) waiver of state withholding?

The California FTB administers the state's nonresident withholding program. If you are eligible for a waiver of California withholding requirements, you may obtain the waiver from the Franchise Tax Board. Check "yes" only if you have already obtained a waiver from the Franchise Tax Board. If you are not qualified to do business in California and you do not have a waiver of California nonresident withholding, services you perform in California may be subject to 7% state tax withholding. This applies to corporations as well as individuals and other entities and is not subject to federal income tax treaties.

Will all services be performed outside the State of California?

If any personal services you provide are performed in California or you otherwise receive California sourced income from CalSTRS, please mark "no." If you perform personal services for CalSTRS exclusively outside California, or payments from CalSTRS are for goods, utilities, or other non-reportable payments, mark "yes." California nonresidents (vendors not qualified to do business in California) who perform services in California are subject to California nonresident withholding. See California Franchise Tax Board Publication 1017, *Resident and Nonresident Withholding Guidelines*.

Foreign Tax Information

A foreign vendor is:

- An individual who is not a U.S. citizen or U.S. resident alien
- A partnership, corporation, company, or association that was created or organized outside the United States or under the laws of a country outside the United States

If you (as an individual/sole proprietor), or your company (as an entity) are a foreign vendor, you must also complete and submit the appropriate W-8 Form or Form 8233. See www.irs.gov for more information.

Will all services be performed outside the United States?

Payments for services performed within the U.S. by nonresidents are U.S. sourced income and may be subject to nonresident alien withholding. Other types of U.S. sourced income include payments for rent if the rented property is located in the U.S. and payment for royalties for patents and copyrights when the property is used in the U.S. If all payments from CalSTRS to you are for services performed outside the U.S. or otherwise represent payment for non-U.S. sourced income, select "Yes." Otherwise, select "No." For more information, please refer to Chapter 2 of IRS Publication 519, *U.S. Tax Guide for Aliens* at www.irs.gov.

California Small Business and Disabled Veterans Business Enterprise

Enter your California Disabled Veterans Business Enterprise, Small Business/Microbusiness certification number here only if you are currently registered with the California Department of General Services. For information about registration, please contact the California Department of General Services or visit www.dgs.ca.gov.

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

CONTRACTING AGENCY NAME
California State Teachers' Retirement System (CalSTRS)

CONTRACTOR NAME

2. The term of this Agreement is:

START DATE
[Insert date]

THROUGH END DATE
[Insert date]

3. The maximum amount of this Agreement is:

\$ "Numeric Dollar Amount" U.S. Dollars
"Written Dollar Amount" and xx/100 Dollars

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

CalSTRS Terms and Conditions
Exhibit A – Scope of Work
Exhibit B – Fee Schedule
Exhibit C – Contractor's Key Personnel
Exhibit D – Teachers' Retirement Board Governance Manual – Third Party Economic Interest Disclosure Policy
Exhibit E – Form 600-H Third Party Economic Interest Disclosure
Exhibit F – Contractor Background Investigation Policy
Exhibit G – Certification of Contractor's Employee Background Investigation Form
Exhibit H – Personal History Statement
Exhibit I – CalSTRS Information Security and Privacy Addendum
Exhibit J – Confidentiality, Non-Disclosure and Acceptable Use Agreement
Exhibit K – CalSTRS Minimum Information Security Requirement (MISR)
Exhibit L – Work Authorization/Unanticipated Tasks

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

CONTRACTOR

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

CONTRACTOR BUSINESS ADDRESS

CITY

STATE

ZIP

PRINTED NAME AND TITLE OF PERSON SIGNING

BY (Authorized Signature)

DATE SIGNED

STATE OF CALIFORNIA

AGENCY NAME
California State Teachers' Retirement System

ADDRESS
100 Waterfront Place

CITY
West Sacramento

STATE
CA

ZIP
95605

PRINTED NAME AND TITLE OF PERSON SIGNING
Select Signatory

BY (Authorized Signature)

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

☒ Exempt per:
Exempt from approval by the
Department of General Services
Per California Constitution,
Article XVI, Section 17.

A. INTRODUCTION

The California State Teachers' Retirement System (CalSTRS) and "Contractor's Name" (Contractor) enter into this Agreement to provide "[Briefly describe services to be provided. If applicable include Exhibit.]" in accordance with Exhibit A, Scope of Work, attached hereto and incorporated herein.

B. AGREEMENT CONTACTS

1. Contractor

- a) Contractor liaison for services shall be "Contractor Personnel Name" at Telephone Number "(###) ###-####" , and E-mail Address XX@domain .

2. CalSTRS

- a) CalSTRS Business Contract Liaison/Coordinator for services shall be "CalSTRS Personnel Name" at Telephone Number "(###) ###-####" , and E-mail Address XX@CalSTRS.com .
- b) CalSTRS Business Contract Manager for services shall be "CalSTRS Personnel Name" at Telephone Number "(###) ###-####" , and E-mail Address XX@domain .

C. TERM

The term of this Agreement shall be from "Month Day, Year" through "Month Day, Year" with an option to extend up to # additional months.

D. FEES

- 1. The total amount of this Agreement shall not exceed \$##.## (US dollars), unless amended in writing, approved and signed by the CalSTRS CEO or designee.
- 2. Fees shall be calculated in Exhibit B, Fee Schedule.
"Or provide cost breakdown below."

E. BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- a) For services satisfactorily rendered, and upon receipt and approval of the invoices, CalSTRS agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- b) Invoices shall be submitted not more frequently in monthly arrears through the following:

1. The supplier submits their invoices through the SAP Business Network.
 2. If contractor/supplier has not registered, to do business with CalSTRS, on the SAP Business Network:
 - a. Supplier must contact Partners to create an SAP Business Network account to facilitate invoicing and payment.
 - b. Supplier will contact their Business Area Liaison for assistance in submitting an invoice.
 - c) Invoice(s) must include: 1) CalSTRS Agreement Number; 2) Contractor's name, address and telephone number; 3) itemized description of services including detailed cost and date(s) of services; and 4) total amount of invoice in US dollars.
2. Budget Contingency Clause
- a) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CalSTRS shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
 - b) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, CalSTRS shall have the option to either cancel this Agreement with no liability occurring to CalSTRS, or offer an Agreement amendment to Contractor to reflect the reduced amount.
3. Prompt Payment Clause
- Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

F. WARRANTIES

1. Contractor warrants that it maintains errors and omissions insurance providing a prudent amount of coverage for negligent acts or omissions and that such coverage is applicable to Contractor's actions under the Contract.
2. Contractor warrants that it has implemented and enforces a policy designed to ensure that its employees and individuals subject to its control do not engage in insider trading proscribed by federal and state securities laws and regulations.
3. Contractor warrants that it maintains insurance coverage for injuries to persons and/or property damage as may arise from or in conjunction with, the work performed on behalf of CalSTRS, its agents, representatives, employees or subcontractors.

G. GENERAL TERMS AND CONDITIONS

1. Timeliness

Time is of the essence in this Agreement.

2. Approval

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

3. Amendment

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

4. Intellectual Property

Contractor expressly acknowledges and agrees that all discoveries, inventions, processes, designs, plans, works of authorship, and trade secrets, whether of a technical nature or not, made or developed by Contractor alone or in conjunction with any other person or entity while accomplishing the terms of this Agreement (“Intellectual Property”), shall be the sole and exclusive property of CalSTRS. CalSTRS may use or reuse the Intellectual Property, in whole or in part, in all media, whether now or later existing, throughout the universe in perpetuity, including but not limited to the exclusive right to reproduce, perform and exploit the Intellectual Property, and all information regarding the Intellectual Property, concurrent with the discovery or development of the Intellectual Property. If the Intellectual Property or the results and proceeds thereof constitute “works of authorship” within the scope of U.S. Copyright Law, the foregoing shall be deemed “works made for hire” and CalSTRS shall be considered the sole author and owner of all rights comprised in the copyright and/or patent thereof and shall have the exclusive right to seek patent and/or copyright protection in CalSTRS name. In the event that any Intellectual Property does not constitute “works made for hire,” Contractor hereby assigns all rights thereto exclusively to CalSTRS for any and all purposes of CalSTRS. At all times during its term and after the termination of the Agreement, Contractor shall assist CalSTRS in obtaining and maintaining, for CalSTRS benefit protection of the Intellectual Property and Contractor shall execute and cause its subcontractors to execute such further instruments as CalSTRS may reasonably require as evidence of ownership of such rights. Contractor agrees that he/she will not use or disclose any Intellectual Property owned by CalSTRS without the express written permission of CalSTRS.

5. Taxes

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

6. Severability

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

7. Force Majeure

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

Contractor confirms that the goods/services to be provided to CalSTRS are not affected by the current COVID-19 Pandemic and that Contractor is able to perform under the Agreement.

8. Nondiscrimination

During the performance of this Agreement, Contractor and its subcontractors, as well as their agents and employees, shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, gender, gender identity, gender expression, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including health impairments related to or associated with a diagnosis of cancer for which a person has been rehabilitated or cured), genetic information, age (40 or over), marital status, veteran or military status and use of family and medical care leave pursuant to federal law or state law. Contractors and subcontractors, as well as their agents and employees, shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors, as well as their agents and employees, shall comply with the provisions of the California Fair Employment and Housing Act (Government Code, section 12900 et seq.) and the applicable regulations promulgated thereunder (Title 2, California Code of Regulations, section 11000 et seq.). The applicable regulations of the Civil Rights Department implementing Government Code, section 12990 (a)-(f), set forth in Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set

forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

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

9. Assignment

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

10. Information Security and Privacy

Contractor, in the course of its duties, may handle investment, financial, accounting, statistical, personal, technical and other data and information relating to CalSTRS and its members. All such information is confidential, and, unless permitted by CalSTRS in writing, Contractor shall not disclose such information, directly or indirectly, or use it in any way, either during the term of the Agreement or any time thereafter, except as required to perform its duties under this Agreement. Any disclosure of information contrary to this provision shall be considered a material breach of this Agreement. Contractor warrants that only those who are authorized and required to use such materials will have access to them. Failure to comply with this provision will subject Contractor to liability, including all damages to CalSTRS and third parties. Contractor shall comply with all information security and privacy obligations set forth in Exhibit I, CalSTRS Information Security and Privacy Addendum, which is incorporated by reference into this Agreement. This addendum establishes the necessary security and privacy measures Contractor must implement, including but not limited to confidentiality obligations, security controls, incident response, indemnification, and data handling requirements.

As part of these obligations:

- a) Exhibit J, Confidentiality, Non-Disclosure and Acceptable Use Agreement (ISO 1948): Contractor's Authorized Representative, with authority to act on behalf of the entity, must sign Exhibit J prior to engaging in work with CalSTRS.
- b) Exhibit K, CalSTRS Minimum Information Security Requirements (MISR): Contractor shall adhere to the security requirements detailed in Exhibit K as part of its overall information security obligations.

Failure to comply with Exhibits J and K may be deemed a material breach of the contract, at CalSTRS discretion.

11. Security

Contractor shall perform a background investigation on all of Contractor's employees assigned to perform any part of the services hereunder, or who shall access any of CalSTRS Confidential Information (the "**Contractor Personnel**"). Contractor's background investigation shall consist of the components prescribed in Exhibit F, CalSTRS' Contractor Background Investigation Policy. All Contractor Personnel must successfully complete and pass Contractor's background investigation prior to providing services or accessing Confidential Information hereunder. Compliance with CalSTRS Contractor Background Investigation Policy must be affirmed with submission of a completed Exhibit G, Certification of Contractor's Employee Background Investigation Form listing each of Contractor's Personnel. Contractor shall keep such form updated to reflect any changes to its Contractor Personnel. Contractor shall ensure that employees of its subcontractors or agents also satisfy appropriate background investigation criteria. Contractor shall provide CalSTRS (or its designee) with documentation providing evidence of Contractor's background investigation of Contractor Personnel upon the reasonable request of CalSTRS.

Further, all Contractor Personnel must submit to CalSTRS Exhibit H, Personal History Statement identifying any relatives of the contract employee that are CalSTRS members, beneficiaries, or employees.

12. Contractor Employee Relationship

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

13. Titles/Section Headings

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

14. Choice of Law

This Agreement and any controversy or claim arising out of or relating to this agreement, or the breach thereof shall be administered, construed, governed and enforced according to the laws of the State of California (without regard to any conflict of laws provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder (including any action to compel arbitration or to enforce any award or judgment rendered thereby) shall be brought in the state or federal courts sitting in Sacramento, California, the parties hereby

waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

15. Independent Contractor

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

16. Signatures & Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree to the terms of this Agreement and have caused this Agreement and its exhibits to be signed by their duly authorized representatives. Any manually executed signature page to this Agreement and its exhibits delivered by a party by facsimile or other electronic mail in .PDF form shall be deemed to be an original signature hereto. Additionally, CalSTRS may provide the option for the parties to electronically sign this Agreement and exhibits via DocuSign or by other electronic method prescribed by CalSTRS. Any counterpart delivered using any of foregoing methods shall be deemed to have been duly and validly delivered with the same force and effect as original signatures, which together shall constitute one and the same instrument.

17. Unenforceable Provision

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

18. Entire Agreement

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

19. Compensation

The consideration to be paid Contractor, as provided herein, shall be as compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and state and local sales and use taxes, unless otherwise expressly so provided.

20. Knowledge Transfer

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

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

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

H. AFFIRMATIVE COVENANTS

1. Permits and Licenses

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

2. Reports and/or Meetings

- a) Contractor shall provide oral or written progress reports as requested by CalSTRS to determine if Contractor is performing to expectations or is on schedule, to provide communication of interim findings, and to afford occasions for discussing and resolving problems encountered.
- b) Contractor shall meet with CalSTRS staff and/or the board upon request to discuss progress on the Agreement or to present findings, conclusions and recommendations.

3. Audit

- a) During and for three (3) years after the term of this Agreement, Contractor shall permit the Bureau of State Audits, CalSTRS, and its authorized representatives, and such consultants and specialists as needed, at all reasonable times during normal business hours to inspect and copy, at the expense of CalSTRS, books and records of Contractor relating to its performance of this Agreement.

- b) Contractor shall be subject to examination and audit by the Bureau of State Audits, CalSTRS, and CalSTRS representatives during the term of this Agreement and for three (3) years after final payment under this Agreement. Any examination or audit shall be confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Contractor shall cooperate fully with the Bureau of State Audits, CalSTRS, and/or CalSTRS authorized representatives in connection with any examination or audit. All adjustments, payments, and/or reimbursements determined to be necessary by any examination or audit shall be made promptly by the appropriate party.

4. Additional Documents

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

5. Disabled Veteran Business Enterprise (DVBE) Participation Requirements

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

Effective January 1, 2021, any contracts resulting from this solicitation on or after 1/1/2021, are subject to [Military and Veterans codes 999.5-999.7](#) which resulted from [SB 588 \(Ch. 80, Stats. 2020\)](#). This law requires an awarding department on a contract to withhold \$10,000, or the full payment if it is less than \$10,000, from the final payment on a contract until the certification required is received by the awarding department. For certification purposes, the Contractor will be held to the DVBE Participation percentage provided on the Small Business, Microbusiness, and Disabled Veteran Business Enterprise (DVBE) Commercially Useful Function Related Information and Declaration Form submitted with the solicitation proposal that was awarded.

The Teachers' Retirement Board (Board) has adopted a policy that directs staff to encourage, promote, and facilitate the fullest possible participation by DVBE's in contracts awarded by CalSTRS.

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

- a) Contractor agrees that, as a Contractor of CalSTRS, it will meet the requirements of the Board's policy regarding the minimum three percent (3%) DVBE participation goal and any additional percentage over three percent (3%) submitted on the Small Business, Microbusiness, and Disabled Veteran Business Enterprise (DVBE) Commercially Useful Function Related Information and Declaration Form.

- b) Contractor, in contracting for goods and services pursuant to this Agreement, shall comply with the Board's objectives and policy regarding DVBE participation.
- c) Nothing shall be construed to authorize any contractor to discriminate in the solicitation or acceptance of bids for subcontracting, or for materials or equipment, on the basis of race, color, sex, gender, ethnic origin or ancestry.
- d) Contractor agrees to provide CalSTRS or its delegate with any information reasonably necessary to comply with the obligations set forth in the applicable provisions of PCC sections 10115, et seq. Upon reasonable notice, Contractor shall permit CalSTRS or its delegate access to its premises during normal business hours to interview employees and to inspect and copy books, records, accounts, and other materials for the purpose of determining compliance with the applicable provisions of PCC sections 10115, et seq. and Title 2, California Code of Regulations, sections 1896.60, et seq. Contractor agrees to maintain such records for a period of three (3) years after final payment under this Agreement. Contractor further agrees to make this paragraph applicable to all subcontracts entered into hereunder.
- e) If a contractor must update their DVBE, they should email an updated Small Business, Microbusiness, and Disabled Veteran Business Enterprise (DVBE) Commercially Useful Function Related Information and Declaration Form to their Business Contract Manager, SBDVBEAdvocate@CalSTRS.com, and PMDCompliance@CalSTRS.com.

6. Reportable Interests

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

7. Key Personnel

Exhibit C, "Contractor's Name" Key Personnel, names certain members of Contractor's staff (key individuals) who will perform the conduct described in the scope of services and exercise a significant decision making role in the delivery of services under this Agreement. The term "Key Personnel" means any individual associated with an Entity that:

- i. Negotiates a contract between an Entity and CalSTRS; or
- ii. Is a high-level officer or employee of an Entity who exercises primary responsibility for the work performed pursuant to a contract between an Entity and CalSTRS; or
- iii. Directs or supervises Entity staff regarding work performed pursuant to a contract between an Entity and CalSTRS; or
- iv. Provides services to CalSTRS as a "consultant" pursuant to Government Code sections 82019, 82048 and California Code of Regulations, Title 2, Section 18700.3 by making or participating in the making of decisions which may foreseeably have a material effect on any financial interest. This includes all contractors who manage public investments, within the meaning of Government Code section 87200 and other consultants as designated within the State Teachers' Retirement System Conflict of Interest Code.

These personnel shall be hereafter referred to (both individually and collectively) as "Key Personnel."

- a) Contractor shall not substitute, replace or reassign Key Personnel without CalSTRS prior approval. However, with CalSTRS prior approval, the parties may agree in writing to a change in these Key Personnel, which writing shall become a part of this Agreement.
- b) This Agreement may be terminated immediately, in CalSTRS sole discretion and upon written notice from CalSTRS to Contractor, because of any change in or departure of Contractor's Key Personnel.

8. Changes in Control, Organization or Key Personnel

Contractor shall promptly, and in any case within five (5) calendar days, notify CalSTRS in writing: 1) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; 2) of any change in Contractor's staff who exercise a significant administrative, policy, or consulting role under this Agreement, including without limitation the Key Personnel; 3) of any change in the majority ownership, control, or business structure of Contractor; or 4) of any other material change in Contractor's business, partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit

CalSTRS to evaluate the changes within Contractor's personnel or organization under the same criteria as was used by CalSTRS in its award of this Agreement to Contractor. Contractor agrees to provide CalSTRS with such additional information as CalSTRS may request.

9. Indemnification

Contractor agrees to indemnify, defend and hold harmless the State of California, CalSTRS, the Board, the California State Teachers' Retirement Fund, and all of the officers, trustees, agents and employees of the foregoing, from and against any and all losses, costs, liabilities, damages or deficiencies, including interest, penalties and attorneys' fees, which 1) arise out of or are due to a breach by Contractor of any of its representations, warranties, covenants or other obligations contained in this Agreement, or 2) are caused by or resulting from Contractor's acts or omissions constituting bad faith, willful misfeasance, negligence or reckless disregard of its duties under this Agreement, or 3) accrue or result to any of Contractor's subcontractors, materialmen, laborers or any other person, firm or corporation furnishing or supplying services, material or supplies in connection with the performance of this Agreement.

10. Compliance with Statutes and Regulations

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

Contractor will only be permitted on-site at CalSTRS Headquarters or offices if explicit authorization is provided by an executive officer of CalSTRS. Contractor and its personnel are required to observe and follow all CalSTRS policies and guidelines related to the COVID-19 Pandemic (including without limitations, completing a health screening questionnaire, complying with visitor policies, wearing masks, temperature screenings before entry, physical distancing, etc.), in addition to any mandatory orders issued by governmental authorities.

11. Subcontractors

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

12. Notice of Proceedings

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

I. NEGATIVE COVENANTS

1. Publicity

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

2. Services or Procurement Resulting from Agreement

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

J. CONTRACTOR CERTIFICATION CLAUSES

1. Statement of Compliance – Nondiscrimination

Contractor's signature affixed hereon and dated shall constitute a certification under the penalty of perjury under the laws of the State of California that Contractor has, unless exempted, complied with the nondiscrimination program requirements of Government Code section 12990 (a)-(f) and Title 2, California Code of Regulations, section 11102 et seq.

2. Americans with Disabilities Act of 1990 (ADA)

Contractor is responsible for ensuring all products and services provided to CalSTRS, including without limitation, electronic or information technology and related services, reports, presentation slides and other materials which may be posted on or linked to the CalSTRS.com website, at the discretion of CalSTRS, comply with the accessibility requirements of California Government Code sections 7405 and 11135, and the Web Content Accessibility Guidelines 2.0, or a subsequent version, published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria. CalSTRS reserves the right to ask for proof of conformance, and Contractor shall remedy any non-conformance and agrees to manage and resolve any accessibility complaints as required by Government Code section 7405(b).

By signing this Agreement, Contractor assures CalSTRS that it complies with the Americans with Disabilities Act of 1990, as amended (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, and Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d et seq.), along with all applicable regulations and guidelines issued pursuant to both acts.

3. National Labor Relations Board Certification

Contractor, by signature hereto, does swear under penalty of perjury that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two (2)-year period because of Contractor's failure to comply with an order of a Federal court which orders Contractor to comply with an order of the National Labor Relations Board.

4. Labor Code/Workers' Compensation

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

5. Unauthorized Alien

Contractor will comply with 8 USC §1324a et seq. and shall not knowingly employ or contract with an unauthorized alien to perform work.

6. Drug-Free Workplace

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

- a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b) Establish a Drug-Free Awareness Program to inform employees about:
 - 1) The dangers of drug abuse in the workplace;
 - 2) The person's or organization's policy of maintaining a drug-free workplace;
 - 3) Any available counseling, rehabilitation and employee assistance programs; and,
 - 4) Penalties that may be imposed upon employees for drug abuse violations.

- c) Every employee who works on the proposed Agreement will:
 - 1) Receive a copy of the company's drug-free policy statement; and,
 - 2) Agree to abide by the terms of the company's statements as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: 1) the Contractor has made false certification, or 2) violated the certification by failing to carry out the requirements as noted above. (Government Code Section 8350 et seq.)

7. Contractor Name Change

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

8. Corporate Qualifications To Do Business in California

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

9. Resolution

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

10. Conflict of Interest

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has questions on the status of any person

rendering services or involved with the Agreement, CalSTRS must be contacted immediately for clarification.

Current State Employees (PCC 10410):

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

Former State Employees (PCC 10411):

- a) For the two (2)-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- b) For the twelve (12)-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general area as the proposed contract within the twelve (12)-month period prior to his or her leaving state service.

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

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

11. Air or Water Pollution Violation

Under the State laws, the Contractor shall not be: 1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; 2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or 3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

12. Expatriate Corporations

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

13. Domestic Partners

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

K. SPECIAL TERMS AND CONDITIONS

1. Evaluation of Contractor

Pursuant to Public Contract Code section 10369, CalSTRS shall evaluate Contractor's performance under the terms and conditions of this Agreement within sixty (60) days after the completion of Contractor's performance under this Agreement. If the evaluation indicates unsatisfactory performance, a copy will be sent to the Department of General Services, the Office of Legal Services and to Contractor who may file a response to the evaluation. The evaluation and response shall remain on file for thirty-six (36) months and shall not be public records.

2. Third Party Economic Interest Disclosure Policy

a) Policy

The Third Party Economic Interest Disclosure Policy set forth in the Teachers' Retirement Board Governance Manual requires entities and Key Personnel engaging in business with CalSTRS to disclose campaign contributions, as defined under the California Political Reform Act, valued in excess of \$250, prohibits providing charitable contributions valued in excess of \$250, and gifts in excess of the current monetary limit established by the Fair Political Practices Commission, as well as requiring the periodic disclosure of campaign contributions, charitable contributions, and gifts. A copy of the current policy is attached as Exhibit D and Contractor is required to comply with its provisions.

b) Submission of Disclosures

Contractor and each of its Key Personnel shall, with the signing of this Agreement and annually thereafter, submit disclosures of contributions and gifts described in this section on a form prescribed by CalSTRS. The current disclosure form required to be submitted is Exhibit E, Form 600-H Third Party Economic Interest Disclosure. Exhibit E must be submitted on behalf of the Contractor (Entity) and each of its Key Personnel (those who signed Exhibit C). No other version of this form will be accepted (e.g., annual submittal or generic form downloaded from CalSTRS.com).

Annual disclosures shall be due by April 1st of each year and forms will be provided to Contractor and its personnel by CalSTRS.

c) Violation of Policy by Contractor

Any violation may lead to one or more of the following: (1) immediate termination of any agreement/contract, (2) CalSTRS withholding future payments on any existing agreement/contract, and/or (3) disqualification from future business with CalSTRS for a period of two years following a determination that a violation has occurred. These sanctions will be at CalSTRS' sole discretion and upon written notice from CalSTRS to the entity. The general counsel shall provide a report of violations to the Audits and Risk Management (ARM) Committee.

d) Changes in Laws or Policy

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

3. Child Support Compliance Act

For any Agreement in excess of \$100,000, the Contractor acknowledges in accordance therewith, that:

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

4. Priority Hiring Considerations

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

5. Liability for Injury to Persons or Damage to Property

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

6. Written Commitments

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

7. Antitrust Claims

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

- a) The Government Code Chapter on Antitrust claims contains the following definitions:
 - 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 - 2) "Public Purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
- b) In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights,

title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

- c) If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
- d) Upon demand in writing by the assignor, the assignee shall, within one (1) year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and 1) the assignee has not been injured thereby, or 2) the assignee declines to file a court action for the cause of action. Government Code Section 4554.

L. UNANTICIPATED TASKS

- 1. In the event that additional work must be performed which is unanticipated and is not specified in the Scope of Work, but which in the opinion of both parties is necessary to the successful accomplishment of the general scope of work outlined, the procedures outlined in this section will be employed. Unanticipated tasks are services or deliverables that were not included within the parties' agreement on scope, price and schedule as evidenced by the project documents (i.e., the SOW, the Proposal, the Project Plan and Schedule, the Detailed Design, and the Contractor's estimates and work papers).
- 2. For each item of unanticipated work not specified in the Scope of Work, a CalSTRS Work Authorization, Exhibit L will be prepared.
- 3. It is understood and agreed by both parties to this Agreement that all of the terms and conditions of this Agreement shall remain in full force with the inclusion of any such Work Authorization. Such Work Authorization shall in no way constitute an Agreement other than as provided pursuant to this Agreement nor in any way amend or supersede any of the other provisions of this Agreement, except as provided in the Work Authorization.
- 4. Each Work Authorization shall consist of a detailed statement of the purpose, objective, or goals to be undertaken by the Contractor, the job classification or

approximate skill level of the personnel to be made available by the Contractor, an identification of all significant material to be developed by the Contractor and delivered to CalSTRS, an identification of all significant materials to be delivered by CalSTRS to the Contractor, an estimated time schedule for the provisions of these services by the Contractor, completion criteria for the work to be performed, the name or identification of the Contractor personnel to be assigned, the Contractor's estimated work hours required to accomplish the purpose, objective or goals, the Contractor's billing rates per work hour, and the Contractor's estimated total cost or fixed price for the Work Authorization. If Contractor staff identified is not already authorized, they will be subject to the background investigation as described in Exhibit F, CalSTRS Contractor Background Investigation Policy, prior to start of work.

5. All Work Authorizations must be in writing prior to beginning work and shall become part of the agreement. Authorization shall not become effective until the amendment is approved and signed by CalSTRS authorized signatory.
6. CalSTRS has the right to require the Contractor to stop or suspend work on any Scope of Work by providing the Contractor with written notice. If the performance of all or any part of the work is stopped or suspended (1) by an act of the CalSTRS in the administration of this Agreement, or (2) by the CalSTRS failure to act within the time specified in this Agreement (or within a reasonable time if not specified), an adjustment shall be made for any increase in the cost of performance of the Scope of Work necessarily caused by stoppage or suspension, and the Scope of Work modified in writing accordingly. No adjustment shall be made under this clause for any stoppage or suspension to the extent that performance would have been so stopped or suspended by the fault or negligence of the Contractor, or for which an equitable adjustment is provided for under any other term or condition of this Agreement or the Scope of Work. A claim under this clause shall not be allowed (i) for any costs incurred more than 20 days before the Contractor shall have notified the CalSTRS in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order); and (ii) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the stoppage or suspension, but not later than the date of final payment under the Agreement. The parties shall act in good faith and take reasonable steps to mitigate the costs and schedule impacts of any delay or suspension.
7. Personnel resources will not be expended (at a cost to CalSTRS) on task accomplishment in excess of the estimated work hours required or fixed price unless the procedure below is followed:
 - a) If, in the performance of the work, the Contractor determines that a Work Authorization to be performed under this Agreement cannot be accomplished with the estimated work hours or fixed price, the Contractor will immediately notify CalSTRS in writing of the Contractor's estimate of the work hours or fixed price which will be required to complete the Work Authorization in full. Upon receipt of such notification, CalSTRS may:

- 1) Authorize the Contractor to expend the estimated additional work hours or service in excess of the original estimate or fixed price necessary to accomplish the Work Authorization, or
 - 2) Terminate the Work Authorization, or
 - 3) Alter the scope of the Work Authorization in order to define tasks that can be accomplished within the remaining estimated work hours or fixed price.
- b) CalSTRS will notify Contractor in writing of its election within fifteen (15) work days after receipt of the Contractor's notification. If notice of election is given to proceed, the Contractor may expend the estimated additional work hours or services. CalSTRS agrees to reimburse the contractor for such authorized additional work hours or fixed price.

M. TERMINATION

1. Termination at Option of CalSTRS

This Agreement may be terminated in whole or in part at any time upon thirty (30) calendar days written notice by CalSTRS, for any reason. Upon receipt of a termination notice, Contractor shall promptly discontinue all services affected unless the notice specifies otherwise.

In the event CalSTRS terminates all or a portion of this Agreement for any reason, it is understood that CalSTRS will provide payment to Contractor for satisfactory services rendered prior to the termination, but not in excess of the maximum Agreement amount.

2. Termination for Default

CalSTRS may terminate the Agreement by two (2) calendar days written notice to Contractor, and without prejudice to any of its remedies, because of:

- a) The failure of Contractor to fulfill its obligations under this Agreement (including, but not limited to any warranties made, and any attachments/exhibits to this Agreement),
- b) The Contractor provides inaccurate or omission of information that the Contractor knew or should have known existed.

In the event of termination for default, CalSTRS shall pay Contractor only the reasonable value of the services rendered. At CalSTRS sole discretion, CalSTRS may offer an opportunity to cure any breach(es) prior to terminating for default.

3. Termination for Insolvency

Contractor shall notify CalSTRS immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudged bankrupt, or a receiver is appointed and qualifies. In the event of any of the foregoing events, or if CalSTRS determines, based on reliable information, that there is a substantial probability that Contractor will be financially unable to continue performance under this Agreement, CalSTRS may terminate this Agreement and all further rights and obligations immediately by giving five (5) days notice in writing in the manner specified herein.

4. Convenience

If after notice of termination for failure to fulfill Agreement obligations, it is determined that Contractor had not so failed, the termination shall be deemed to have been effective for the convenience of CalSTRS.

5. Completion

In the event of termination for default, CalSTRS reserves the right to take over and complete the work by agreement or other means. In such case, Contractor will be liable to CalSTRS for any additional cost incurred by CalSTRS to complete the work whether reimbursed or not.

6. Effect of Termination

All duties and obligations of CalSTRS and Contractor shall cease upon termination of this Agreement, except that:

- a) Each party shall remain liable for any rights, obligations, or liabilities arising from activities carried on by it under this Agreement prior to the effective date of termination.
- b) Contractor shall provide for the return of all records of CalSTRS to CalSTRS or its designee and shall cooperate fully to affect an orderly transfer of services.

SCOPE OF WORK

The California Teachers' Retirement System (CalSTRS) is soliciting proposals from qualified firms to provide consulting services in support of its defined contribution programs administered by CalSTRS' Retirement Readiness division. These programs, which include Pension2 and 403bCompare, operate under the statutory authority of Internal Revenue Code §§403(b) and 457(b). As administrator of the 403bCompare website, CalSTRS is mandated under California Education Code Sections 25100-25115 to maintain impartial, accurate, and vendor-neutral information consistent with the Code and the state's any-willing-vendor marketplace framework.

The selected Contractor shall provide independent advisory and consulting services related to investment oversight, fiduciary governance, recordkeeper oversight and accountability, regulatory compliance, plan administration support, and defined contribution program operations. Services shall include objective analysis, industry benchmarking, legislative and regulatory guidance and support, investment and fee review, and strategic recommendations intended to strengthen program governance and support effective administration of CalSTRS' defined contribution offerings. The Contractor shall perform these services in close coordination with CalSTRS personnel and the program recordkeeper to ensure continuity, accountability, and effective oversight of all defined contribution program functions and contracted services.

A. Consulting Services Related to All Defined Contribution (DC) Programs

CalSTRS administers Pension2 and 403bCompare for over 1,400 California school districts and their employees. We seek consultant services for these programs and related Retirement Readiness services in the following areas:

1. **Program Advisory, Design, and Governance Services:** The Contractor shall provide ongoing strategic and technical advisory services to support the administration of CalSTRS' defined contribution programs, including Pension2 and 403bCompare. Services include monitoring operational effectiveness, advising on regulatory and fiduciary considerations, supporting coordination with the recordkeeper, evaluating program performance data, advising on enhancements to the DC programs, evaluating program governance structure, and assisting CalSTRS staff with ad-hoc program consulting needs. Deliverables may include:
 - a. Monthly standing meeting with program leadership to review program issues and progress.
 - b. Quarterly strategic consultation meetings and/or operational assessment report identifying program risks, inefficiencies, and improvement opportunities.
 - c. Annual program effectiveness evaluation with prioritized recommendations.
 - d. Annual review of governance framework.
 - e. Proposed revisions to program policies, procedures, and administrative manuals.
 - f. Implementation plans for any approved design or process changes.

SCOPE OF WORK (CONT.)

- g. Ad hoc advisory support as requested.
- 2. **Plan & Program Reviews:** The Contractor shall attend DC meetings as determined by CalSTRS staff and provide advice, insight, or recommendations to support decision-making. Deliverables may include:
 - a. Real-time advisory input and/or meeting summaries with analysis, actionable insights and/or recommendations.
 - b. Presentation materials.
- 3. **Industry Trends & Research:** The Contractor shall monitor and report on DC trends with a focus on California 403(b) and 457(b) plans. Deliverables may include:
 - a. Periodic industry trends reporting and emerging issues briefings.
 - b. Benchmarking or comparative analysis reporting (e.g., annual benchmark study comparing CalSTRS' DC programs to peer public-sector programs).
- 4. **Recordkeeper Oversight:** The Contract shall provide oversight support to ensure recordkeeper accountability, performance, and compliance per contract. Deliverables may include:
 - a. Quarterly recordkeeper performance review (operations, service levels, fees, marketing, technology).
 - b. Recordkeeper fee benchmarking analysis.
 - c. Service review meeting support.
 - d. Annual recordkeeper assessment.
- 5. **Training:** The Contractor shall provide periodic training to CalSTRS and recordkeeping staff on defined contribution topics and issues. Deliverables may include:
 - a. Education and fiduciary training up to four training sessions per year. Travel may be required to meet with staff.
 - b. Assistance with the development and periodic updating of training and educational materials, including presentations, reference materials, recorded modules, and/or other related supporting content.
- 6. **Ad Hoc Reports & Surveys:** The Contractor shall assist with surveys, review of reports, or data requests from internal and external parties regarding CalSTRS' DC programs. Deliverables may include:
 - a. Report or survey response delivered within agreed-upon timelines (typically 10–15 business days).
 - b. Analytical summaries and recommendations when applicable.

SCOPE OF WORK (CONT.)

B. Investment Oversight of CalSTRS Pension2

Pension2 is CalSTRS' voluntary defined contribution plan designed to supplement the mandatory CalSTRS defined benefit pension for California public school employees, offering 403(b), Roth 403(b), 457(b), and Roth 457(b) options.

The program currently includes a lineup of 20+ core investment options, 15 Easy Choice (custom target-date funds) Portfolios, a fixed rate stable value fund, and a Self-Directed Brokerage Account (SDBA) that are offered to school districts and their employees (certificated and classified). The program has a clearly stated investment policy and is guided by an advisory committee that exercises oversight and recommendation functions in support of program decision makers. The Contractor shall provide investment advisory services to support Pension2's long-term sustainability, competitiveness, and compliance.

1. **Governance & Oversight:** The Contractor shall attend all quarterly Pension2 Plan Review and Pension2 Investment Committee meetings to provide an independent, objective evaluation of program performance separate from the recordkeeper, offer expert monitoring of investment options in accordance with the Investment Policy Statement, and support the Pension2 Investment Advisory Committee and DC staff through market insights, trend analysis, and professional guidance on funds, performance drivers, and risks. Deliverables may include:
 - a. Quarterly investment monitoring report including fund performance vs. benchmarks and peer groups, watchlist recommendations, IPS compliance review, and market commentary.
 - b. Quarterly Investment Advisory Committee support, including attendance and presentation support.
 - c. Post-Investment Advisory Committee Meeting Action Items Report: Provide a concise deliverable submitted within five business days after each meeting summarizing key decisions and potential next steps, consultative recommendations, and any follow-up analysis or documentation requested prior to the next quarterly meeting.
 - d. Annual investment program review.
2. **Investment Policy Statement (IPS):** The Contractor shall support maintenance, implementation, and revision of the IPS. Deliverables may include:
 - a. Updated IPS annually or as regulatory/market conditions require.
 - b. Drafted policy updates and associated documentation.
 - c. Implementation roadmap for any IPS-modifying decisions.
3. **Glide Path Development & Monitoring:** The Contractor will assume full responsibility for the design, oversight, maintenance, and annual updating of the

SCOPE OF WORK (CONT.)

Easy Choice Portfolio glide path, a function that is currently being performed by the recordkeeper through an amendment that will expire on March 30, 2027. The Contractor will serve as CalSTRS' independent subject-matter expert for glide path construction, modeling, asset allocation recommendations, and fund-level adjustments aligned with the IPS. The Contractor shall work collaboratively with the recordkeeper to implement changes accurately and timely while ensuring all updates remain consistent with program objectives, regulatory requirements, and best practices in public-sector defined contribution plan design. Deliverables may include:

- a. Developing, refining, and maintaining glide path methodologies for all 15 Easy Choice Portfolios (across aggressive, moderate, and conservative risk tiers).
- b. Conducting forward looking asset allocation modeling incorporating capital market assumptions, risk modeling, and expected return analysis.
- c. Developing implementation instructions for the recordkeeper, performing quality checks, and confirming correct execution.
- d. Ensuring annual glide path updates occur on schedule and are documented, validated, and communicated.
- e. Supporting CalSTRS staff through education, modeling demonstrations, and IPS-aligned rationale for glide path decisions.
- f. Assistance drafting participant communications regarding glide path changes.
- g. Assistance unitizing Easy Choice Portfolios and development of fund fact sheets (performance and fees).
- h. Advising CalSTRS staff on the current Easy Choice Portfolios contract with the program recordkeeper, evaluating contract performance and making recommendations for service level improvements or amendments as needed.

4. **Investment Research & Fund Recommendations:** The Contractor shall assist the Pension2 Investment Committee with fund selections and recommendations for funds on watchlist. The Contractor shall assist staff and/or recordkeeper with the addition or removal of funds, benchmark funds against peer groups and provide analysis on performance and cost. Deliverables may include:

- a. Quarterly fund performance reports using industry tools (e.g., Morningstar Direct).
- b. Recommendations for fund lineup adjustments with cost, performance, and peer comparison data.
- c. Annual investment menu review and modernization recommendations.

5. **Fund Performance and Cost Reporting:** The Contractor shall review fund performance and cost reports prepared by Pension2's recordkeeper to verify

SCOPE OF WORK (CONT.)

quarterly core fund and Easy Choice Portfolio performance and fee sheets, as well as provide fee analysis comparing Pension2 fees against competitors to support marketing and employer/participant education.

C. Legislation & Compliance

1. **Legislative Monitoring & Impact Analysis:** The Contractor shall monitor and summarize relevant federal and state legislative activity that may impact CalSTRS' DC programs. Deliverables may include:
 - a. Quarterly legislative briefings regarding emerging legislative developments and regulatory trends related to defined contribution plan administration.
 - b. Annual regulatory impact report summarizing changes affecting Pension2/403bCompare.
2. **Legislation Support & Drafting:** The Contractor shall assist DC program staff in evaluating or drafting proposed legislation, Education Code updates, or regulatory changes. The Contractor may collaborate with the CalSTRS Legal and Governmental Relations teams to finalize legislation. Deliverables may include:
 - a. Assisting with drafting or reviewing statutory/regulatory language upon request.
 - b. Preparing legislative proposal impact analyses with cost, risk, and operational implications.
3. **Plan Document Updates:** The Contractor shall assist with the maintenance and accuracy of 403(b) & 457(b) employer plan documents. Deliverables may include:
 - a. Updating of plan documents consistent with SECURE 1.0, SECURE 2.0, IRS guidance, and employer requests.
 - b. Provide education and guidance to DC programs on proposed or mandated legislation.
 - c. Assist staff with plan document audit of all employer 403(b) and 457(b) plans.
 - d. Prepare summaries of material modifications.
4. **Participant Disclosure Review:** The Contractor shall ensure participant materials are accurate, clear and compliant. Deliverables may include:
 - a. Semi-annual communication audit.
 - b. Updated disclosures and recommendations for improvements.

SCOPE OF WORK (CONT.)

5. **IRS & State Compliance:** The Contractor shall provide continuing program review and advice to avoid noncompliance with administrative and legal requirements. Deliverables may include:
 - a. Annual compliance review report.
 - b. Updates on IRS guidance, DOL opinions, and state regulatory requirements.

D. Proposal and Contract Review and Procurement Support

CalSTRS staff collaborate with outside contractors to seek input and advice in program administrative functions that typically provide services to plan administrators or third-party administrators in custodial, compliance, recordkeeping, administrative services, and investment advisor roles. The Contractor may provide advisory support related to defined contribution program procurements, vendor evaluations, contract amendments, and related governance activities as requested by CalSTRS.

E. CalSTRS Leadership and Board Support

The Contractor will provide ongoing strategic advice and support to DC program leadership. Deliverables will include:

- a. Establishing recurring touchpoints with the DC Programs Manager to update on all in-flight activities and plan future items.
- b. Conducting recurring touchpoints with the Director and Assistant Director of Retirement Readiness to assist with program strategy guidance and updates of current projects and tasks.
- c. Providing monthly dashboards on DC program objectives and ad hoc reports as needed.
- d. Up to four (4) quarterly in-person visits to CalSTRS HQ in West Sacramento to meet with CalSTRS leaders and DC staff.
- e. In-person attendance and support of the annual Pension2 Summit at CalSTRS HQ in West Sacramento.
- f. Bi-weekly updates summarizing progress, risks, emerging issues, and key decisions.
- g. Supporting staff with board-facing and executive-level presentations, briefing materials, talking points, impact summaries, or other communications.
- h. Responding to urgent requests within one (1) business day.
- i. Assistance with Public Records Act requests (PRAs), Ombudsman cases regarding DC programs, and participant escalations as needed.

FEE SCHEDULE

[TO BE INSERTED AT TIME OF CONTRACT.]

SAMPLE

**CONTRACTOR'S
KEY PERSONNEL**

Please list the names and titles of the personnel authorized to conduct business (deliver services) on behalf of the Contractor in a decision-making capacity:

Signature _____
Name _____
Title _____
Date _____
E-mail _____

Signature _____
Name _____
Title _____
Date _____
E-mail _____

Signature _____
Name _____
Title _____
Date _____
E-mail _____

Signature _____
Name _____
Title _____
Date _____
E-mail _____

TEACHERS' RETIREMENT BOARD GOVERNANCE MANUAL

G. Third Party Economic Interest Disclosure Policy

It is the policy of CalSTRS to conduct business with vendors, business entities and investment service providers, managers, partners and/or consultants in a manner which avoids potential or actual financial conflicts of interest. Consistent with this policy, certain disclosures involving campaign contributions, charitable contributions and gifts are required as set forth below.

1. Definitions

For purposes of this Third Party Economic Disclosure Policy only, the following definitions apply:

- a. Entity: The terms “Entity” and “Entities” mean any vendor, business entity or investment service provider, manager, partner or consultant doing business directly with CalSTRS.
- b. Key Personnel: The term “Key Personnel” means any individual associated with an Entity that:
 - i. Negotiates a contract between an Entity and CalSTRS; or
 - ii. Is a high-level officer or employee of an Entity who exercises primary responsibility for the work performed pursuant to a contract between an Entity and CalSTRS; or
 - iii. Directs or supervises Entity staff regarding work performed pursuant to a contract between an Entity and CalSTRS; or
 - iv. Provides services to CalSTRS as a “consultant” pursuant to Government Code sections 82019, 82048 and California Code of Regulations, Title 2, Section 18700.3.
- c. Gift: The terms “Gift and “Gifts” mean anything of value, whether tangible or intangible, real or personal property, goods or services, that provides a personal benefit to an individual when the individual does not provide full consideration for the value of the benefit received.

2. Campaign Contributions

All Entities and Key Personnel shall disclose campaign contributions, as defined under the California Political Reform Act, valued in excess of \$250, made to or on behalf of any existing CalSTRS board member, candidates for board member, controller, treasurer, superintendent of public instruction, CalSTRS officer or employee.

3. Charitable Contributions

All Entities and Key Personnel shall disclose any charitable contributions to a charitable entity, valued in excess of \$250 individually or in the aggregate in any calendar year, made at the request of any board member, or CalSTRS officer or employee.

4. Gifts

- a. No Entity or Key Personnel shall provide gifts to board members exceeding the current monetary limit established by the Fair Political Practices Commission individually or in the aggregate in any calendar year. The dollar amount of this limit is adjusted biennially in each odd numbered year to reflect the cost of living adjustments made by the Fair Political Practices Commission to the gift limit contained in Government Code section 89503.
- b. All Entities and Key Personnel shall disclose gifts aggregating more than \$50 in value made to board members, or to CalSTRS officers or employees.

5. Recusal

- a. Any board member who receives campaign contributions, charitable contributions, or gifts that individually or in the aggregate exceed the amount of \$250 in a calendar year from an Entity or Key Personnel shall recuse themselves from any involvement in a matter involving the maker of the contributions or gifts for a period of 12 months following the date of the most recent contribution or gift.
- b. Any board member who returns, donates, or reimburses the donor for gifts subject to these restrictions within 30 calendar days of receipt of the gift shall not be subject to the recusal requirement. Gifts may be returned, donated or reimbursed as specified in California Code of Regulations, Title 2, Section 18933.

6. Disclosure Filing Timeline

The disclosure of campaign contributions, charitable contributions, and gifts shall be made on the Third-Party Economic Interest Disclosure (Form 600-H) as follows:

- a. Upon submission of an initial application or proposal to do business with CalSTRS (for the preceding 12-month period).
- b. At the time a contract is entered into between the Entity and CalSTRS (to cover the interim period following the submission of a Form 600-H pursuant to subsection 6(A) above).
- c. Annually, on or before April 1 for the previous calendar year. You are not required to file an annual Form 600-H under this subsection

if a Form 600- H has been filed with CalSTRS in accordance with subsection (6)(B) between October 1 and December 31 of the preceding year.

- d. Within five (5) calendar days of a change in Key Personnel, the new Key Personnel shall file a Form 600-H.

7. Sanctions for Violation of Policy

The general counsel is responsible for causing an investigation of any reported violation of this policy. Any violation may lead to one or more of the following:

(1) immediate termination of any agreement/contract, (2) CalSTRS withholding future payments on any existing agreement/contract, and/or (3) disqualification from future business with CalSTRS for a period of two years following a determination that a violation has occurred. These sanctions will be at CalSTRS' sole discretion and upon written notice from CalSTRS to the entity. The general counsel shall provide a report of violations to the Audits and Risk Management (ARM) Committee.

8. Application of Policy

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

Reference: Ed. Code, § 22363; Gov. Code, §§ 82019, 82048; Cal. Code Regs., tit. 2, § 18700.3. History: Amended December 7, 2006; Amended June 6, 2007; Amended February 7, 2008; Amended April 8, 2016; Amended January 31, 2019; Amended January 31, 2020 [to reflect gender-neutral language and change the California Code of Regulations citations in subsection 5(b) from section 18943 to section 18933]; Amended November 5, 2021 [updated Sanctions for Violation of Policy section.

Form 600-H

THIRD PARTY ECONOMIC INTEREST DISCLOSURE

Pursuant to Section 4, subsection G, of the Teachers' Retirement Board Governance Manual, entitled "Third Party Economic Interest Disclosure Policy", any Entity/Entities and its Key Personnel who engage in business with CalSTRS are required to make specific public disclosures.¹ Entities and each of their Key Personnel must complete and file separate forms. The below identified Entity/Entities or its Key Personnel hereby make the following disclosures. (Please attach other sheets if more space is needed for disclosure and indicate enclosures.)

Identification of Filer (Key Personnel or Entity – separate filings required)

Name of Entity:		Reported on behalf of Entity ☐
Key Personnel or Person Making Disclosure:		

Relationship Category (Please choose the one that is most appropriate to this relationship): ☐ Investment If Other: ☐ Non-Investment Contractor / Consultant - Description of Service Provided:	Investment Asset Class If Other:
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Mailing Address:					
	Number	Street	City/Locality	State/Province	Zip
Telephone:			E-mail Address:		

Filing and Disclosure Period

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

☐	A. At Solicitation of an initial application or proposal to do business with CalSTRS (covers preceding 12-month period)
☐	B. At Contract/Agreement for execution of services (signature) to cover the interim period since the initial application
☐	C. Annual disclosure for the previous calendar year
☐	D. New Key Personnel

¹ See Teachers' Retirement Board Governance Manual Section 4, subsection G (1)(a) and (b) for definitions of Entity, Entities and Key Personnel.

Form 600-H

1. Disclosure of Campaign Contributions

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

☐ **Nothing to report**

☐ Attachment is enclosed

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

2. Disclosure of Charitable Contributions

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

☐ **Nothing to report**

☐ Attachment is enclosed

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

3. Disclosure of Gifts²

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

☐ **Nothing to report**

☐ Attachment is enclosed

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

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

Signature

Title

Printed Name

Date

² See Teachers' Retirement Board Governance Manual Section 4, subsection G (1)(c), for definition of "Gift".

CONTRACTOR BACKGROUND INVESTIGATION POLICY

PURPOSE: It is the policy of the California State Teachers' Retirement System (CalSTRS) to require all Contractors who contract with CalSTRS to perform services to gather and consider relevant background history information in determining if certain of Contractor's employees ("Contractor Personnel") who provide services to CalSTRS meet the general standards for working with CalSTRS and safeguarding CalSTRS information.

POLICY: Contractor shall comply with all applicable law, rules and regulations related to conducting employee background investigations, including without limitation, the Fair Credit Reporting Act, the California Investigative Consumer Reporting Agencies Act and California Government Code §12952. Contractor shall be solely responsible for any failure to conduct its background investigations in compliance with applicable law.

In evaluating the suitability of a particular individual's work assignment with CalSTRS, Contractor must give particular emphasis to the business needs arising from CalSTRS' fiduciary responsibility for CalSTRS funds, its obligation to protect the personal data it holds and maintain the integrity of the retirement system, and its policy to provide a safe and secure workplace.

This includes, but is not limited to preventing contractors or Contractor Personnel from using their access to CalSTRS facilities, systems or data to:

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

Prior to allowing Contractor Personnel to perform work on behalf of CalSTRS under the Agreement or obtain access to CalSTRS information (a "CalSTRS Assignment"), Contractor is responsible for conducting an appropriate background investigation, including a criminal record check, credit check, civil check, reference check, and verification of education and previous employment as allowed by then applicable law (a "Background Investigation"), of any such Contractor Personnel. In addition, Contractor must review the driving records of any Contractor Personnel who may drive on CalSTRS-related business as a regularly assigned duty. The information gathered in this process is subject to strict confidentiality provisions in order to protect the privacy of those persons whose backgrounds are reviewed under this policy.

Contractor will review and evaluate all information obtained as part of its Background Investigation of any Contractor Personnel and will not assign any Contractor Personnel to a CalSTRS Assignment if the Contractor determines, based in whole or part on the information obtained as part of the Background

Investigation, that the Contractor Personnel is not suitable for the assignment. Examples of reasons for which Contractor Personnel may be unsuitable for CalSTRS assignment include:

Criminal Record Checks

1. Any conviction for any of the following offenses:
 - Any form of fraud, deceit or misrepresentation
 - Embezzlement
 - Forgery
 - Identity theft/stolen credit card use
 - Any other offense involving misappropriation of assets or resources, abuse of access to financial or personal records, unauthorized access to financial or personal records, falsification of documents or records, crimes of moral turpitude, or crimes which may be relevant to CalSTRS Assignment
2. Any conviction for offenses related to stealing such as the following:
 - Theft, burglary, carjacking or home invasion crimes
 - Shoplifting
 - Receiving stolen property
 - Bad checks
3. Any conviction for any violent crime for such an offense.

Contractor Personnel with convictions other than those specified above, may be deemed unsuitable for a CalSTRS Assignment when the record of convictions indicates or suggests to the Contractor a continuing pattern of behavior that is inconsistent with CalSTRS business objectives specified in the Background section, above.

Contractor is responsible for reviewing the civil litigation history of any Contractor to the extent permissible by applicable law. Contractor should not assign any Contractor Personnel to a CalSTRS Assignment if the individual's civil litigation history reveals that he or she lacks one or more of the general qualifications for a CalSTRS Assignment such as honest, integrity, and/or good judgement.

Credit Checks

Contractor is responsible for reviewing the credit history of any Contractor, consistent with applicable law. Contractor should not assign any Contractor Personnel to a CalSTRS Assignment if the individual's credit history reveals a continuing pattern of credit abuse that supports the conclusion that he or she lacks one or more of the general qualifications for a CalSTRS Assignment, such as honesty, integrity, and/or good judgment.

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

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

Reference Checks

Contractor should not assign any Contractor Personnel to a CalSTRS Assignment if a reference check gives Contractor reason to believe that the individual lacks one or more of the general qualifications for employment such as honesty, integrity, and/or good judgment.

Fraud in Securing Appointment

Any information Contractor Personnel provides for employment with or to provide services to Contractor (on applications, resumes, background questionnaires, etc.) must be substantively truthful. Should the Contractor determine that the information it did receive from any Contractor Personnel was not substantively truthful, it shall promptly remove such individual from the CalSTRS Assignment to the extent permissible under applicable law.

Driving Record Checks

A serious driving violation, such as driving under the influence of alcohol or drugs, or reckless driving, within the past three years, may disqualify Contractor Personnel from a CalSTRS Assignment, if the nature of the work performed for CalSTRS requires driving as a regularly assigned duty. Contractor must review driving records when driving a motor vehicle on a CalSTRS Assignment is a regularly assigned duty.

Prior to any Contractor Personnel performing services under the Agreement, Contractor shall certify that it has performed a Background Investigation of such Contractor Personnel, reviewed and verified the background information in a manner consistent with CalSTRS' Contractor Background Investigation Policy, and determined that the individual(s) is/are qualified for the CalSTRS Assignment. Such certification will be made with submission of the "Certification of Contractor's Employee Background Investigation" form, provided to Contractor by CalSTRS.

In addition, Contractor shall provide CalSTRS with each Contractor Personnel's completed Personal History Statement. Information the Contractor Personnel provides concerning relatives who are CalSTRS members or beneficiaries

and/or CalSTRS employees will be used to implement safeguards to prevent the individual from working on or accessing the records/accounts of his or her relatives.

Contractor shall review and investigate any relevant information it received or becomes aware of subsequent to the date of the Background Investigation regarding any Contractor Personnel. Contractor shall immediately notify the Human Resources Division of CalSTRS if it receives information which might lead the Contractor to believe any Contractor Personnel would be ineligible to work on a CalSTRS Assignment, as described in this CalSTRS Contractor Background Investigation Policy, had the Contractor known the information at the time it conducted the Background Investigation. Contractor shall promptly replace any such Contractor Personnel upon CalSTRS request. When requested by CalSTRS (generally annually), Contractor shall certify, on a form provided by CalSTRS, that it knows of no information that would affect the suitability of any Contractor Personnel to work on a CalSTRS Assignment.

Contractor shall retain documents and files received in the Background Investigation throughout the term of the Agreement, shall provide reasonable safeguards to ensure security and confidentiality of these documents and files, and will work cooperatively with CalSTRS to provide related data or information upon CalSTRS's reasonable request, consistent with applicable law.

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

- Contracted personnel will not have physical access to restricted areas of CalSTRS (e.g., printers providing services off-site and delivering product)
- Contracted personnel will not have access (physical or electronic) to confidential/sensitive data (e.g., lecture style training)

CERTIFICATION OF CONTRACTOR'S EMPLOYEE BACKGROUND INVESTIGATION

Contractor Firm Name ("Contractor"): _____

Contractor, as a condition of providing Services as set forth in the above-referenced Agreement, certifies the following:

1. Contractor has agreed to and will comply with the CalSTRS Contractor Background Investigation Policy, attached and incorporated into the Agreement.
2. Prior to assigning any of Contractor's employees ("Contractor Personnel") to perform the services called for in the Agreement or providing such individuals access to CalSTRS information (the "CalSTRS Assignment"), Contractor will perform a background investigation on such individuals that complies with the CalSTRS Contractor Background Investigation Policy and applicable law ("Background Investigation").
3. Contractor has performed a Background Investigation on those Contractor Personnel identified on page 2 of this exhibit and hereby certifies that such individual(s) is/are qualified and suitable to work on the CalSTRS Assignment.
4. To the extent Contractor intends to assign any additional Contractor Personnel to the CalSTRS Assignment hereafter, Contractor agrees to provide CalSTRS with an updated Certification covering such individual(s) prior to their work on the CalSTRS Assignment.
5. On an annual basis, Contractor agrees to certify, in writing, that it has not received information related to any Contractor Personnel which would justify removing such individual from the CalSTRS Assignment.
6. Contractor has been informed and understands that any violation of this certification may result in the termination of the Agreement, at CalSTRS' election. The termination of the Agreement shall not be construed to limit any remedy CalSTRS might have under applicable law.

I, _____ (printed name), declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed in _____ (city), _____ (state)

on _____.

Authorized Signature

Title

Contractor Personnel

Contractor agrees to conduct a Background Investigation of the following named Contractor Personnel and certify their qualification prior to any CalSTRS Assignment:

- 1.
- 2.
- 3.
- 4.
- 5.

PERSONAL HISTORY STATEMENT FOR

CONTRACTED EMPLOYEE NAME

It is CalSTRS' policy to prevent a conflict of interest that could arise from having employees or contracted employees work on, or have access to, the records and accounts of CalSTRS employees, members, or beneficiaries with whom they have a personal relationship.

A member or beneficiary is: (1) any teacher or other certificated staff member in a California school district kindergarten through community college who is active or retired from such a position; (2) a member of the Cash Balance Program; (3) a member of the Defined Benefits Program; or (4) someone who is a survivor of someone who retired from such a position.

A Personal Relationship, includes, but is not limited to, associations with individuals by: (1) blood, adoption, and guardianship (i.e., mother, father, daughter, son, sister, brother, half-sister, half-brother, grandparents, grandchild, aunt, uncle, niece, nephew, or first cousin); (2) marriage or previous marriage (i.e., current or former spouse, in-laws, stepmother, stepfather, stepson, stepdaughter, stepsister, or stepbrother); (3) domestic partnership and/or cohabitation (i.e., current or former domestic partner or cohabitants, or their relatives); or (4) any other type of romantic relationship (i.e., girlfriend or boyfriend).

Please provide us the name(s) of any individual(s), to the best of your knowledge, to whom you have a personal relationship as defined above, who is currently a member or beneficiary of CalSTRS, a current CalSTRS employee or CalSTRS contractor. Follow the instructions below:

1. Insert your name in the *Contracted Employee Name* space at the top of the page.
2. List the name(s) of persons in the table below for which you have a personal relationship.
3. Place an X next to the name(s) to indicate the applicable relationship category.
4. If you have no relationship(s) as defined above, leave the table below blank.

Name	CalSTRS Employee	CalSTRS Contractor	CalSTRS Member/Beneficiary

Signature

Date

CalSTRS INFORMATION SECURITY AND PRIVACY ADDENDUM

This Information Security and Privacy Addendum (hereinafter, "Addendum") establishes minimum requirements Contractor shall adhere to in order to protect any confidential or sensitive information disclosed to Contractor by CalSTRS in connection with or relating to the parties' agreement (hereinafter, "Agreement"). This Addendum is expressly incorporated into and made a part of such Agreement. All capitalized terms not specifically defined herein shall have the meaning ascribed to them in the Agreement.

1. Definitions. For the purposes of this Addendum, the following definitions shall apply:

- a. Contractor: Includes the Contractor, its officers, employees, agents, subcontractors, and anyone directly or indirectly employed, directed or controlled by Contractor.
- b. CalSTRS Information and Information Systems (hereinafter, "CalSTRS Information"): Information that is collected, created, stored, processed, transmitted or disseminated in connection with the negotiation or performance of this Agreement; including Public Information, Confidential Information, Sensitive Information and Personally Identifiable Information. Information Systems denote frameworks of hardware, software, applications, data, processes and personnel that manage, store and transmit information.
- c. Public Information: Information that is not exempt from public disclosure under the provisions of the California Public Records Act (Government Code section 7920.000 et seq.) or other applicable state or federal laws.
- d. Confidential Information: Information that is exempt from public disclosure under the provisions of the California Public Records Act (Government Code section 7920.000 et seq.) or other applicable state or federal laws.
- e. Sensitive Information: Information that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss or deletion. Sensitive Information may be Public Information or Confidential Information. Sensitive Information is information that requires a higher-than-normal assurance of accuracy and completeness. The key factor for Sensitive Information is integrity.
- f. Personally Identifiable Information: Information that identifies or describes an individual, including, but not limited to, their name, social security number, physical description, home address, personal 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.
- g. Incident: An event, confirmed or otherwise, that has been discovered or reported, that actually or imminently jeopardizes the confidentiality, integrity or availability of computers, communication systems, networks, physical or virtual infrastructure, or information resident thereon. Note: not all Information Security Incidents result

in a Data Breach.

- h. Data Breach: A confirmed Incident where CalSTRS Information is adversely affected by events that take place due to unauthorized, malicious actions or by the unintended actions of staff. A breach may or may not be accompanied by an active attack. A 'breach' implies destruction, theft, alteration or dissemination of data to benefit the attacker or harm CalSTRS materially or by reputation.

2. Non-Disclosure

Contractor shall:

- a. Protect CalSTRS Information from unauthorized disclosure as stated in the CalSTRS Confidentiality, Non-Disclosure and Acceptable Use Agreement (ISO 1948).
- b. Not use CalSTRS Information for any purpose other than carrying out the Contractor's duties under the Agreement.
- c. Promptly submit to CalSTRS Compliance Officer (contact information below) all requests for disclosure of CalSTRS Information.

3. Information Security Plan

Contractor shall establish, implement and at all times during the term of the Agreement, maintain administrative, physical and technical safeguards that reasonably and appropriately protect the privacy, confidentiality, integrity and availability of CalSTRS Information (hereinafter, "Information Security Plan"). When requested by CalSTRS, Contractor shall provide a copy of its Information Security Plan to CalSTRS.

Contractor's Information Security Plan shall: (i) comply with applicable state, federal and international laws; (ii) meet or exceed the Federal Information Processing Standards Publication 199 protection levels, and (iii) include each of the Center for Internet Security's Critical Security Controls (available at <https://www.cisecurity.org/critical-controls.cfm>).

4. Information Security Officer

Contractor shall designate an Information Security Officer to oversee its Information Security Plan. The Information Security Officer shall communicate with CalSTRS on security matters relating to this Addendum.

5. CalSTRS Minimum Information Security Requirements

To the extent required by CalSTRS, Contractor shall also comply with any CalSTRS' detailed minimum information security requirements. If the Agreement is amended and CalSTRS has updated its minimum information security requirements since the time of the original Agreement or last amendment, Contractor shall recertify to CalSTRS that it is complying with the minimum information security requirements in effect at the time of the most recent amendment. Failure of Contractor to recertify that it meets any minimum information security requirements shall be deemed a material breach of the Agreement.

6. Incident Response

- a. Contractor shall report any confirmed or suspected Incident to CalSTRS Information Security Office and CalSTRS IT Service Desk (contact information below), and the CalSTRS business contact with whom the Contractor maintains a working relationship, **immediately** upon discovery and identify a) the nature of the Incident, b) the CalSTRS Information at issue and c) the person(s) involved in the Incident (if known).
- b. Contractor shall undertake immediate remediation measures upon the occurrence of any Incident while preserving all forensic evidence feasible under the circumstances.
- c. Contractor, in consultation with CalSTRS, shall ensure that it complies with California law concerning Data Breach notifications (currently found in California Civil Code §§ 1798.29, 1798.82), as such laws may be amended or modified. CalSTRS shall approve the time, manner and content of any such notifications.
- d. Within ten (10) working days, or at the earliest possible time thereafter, Contractor shall describe any responsive mitigation measures which have been taken (or which are proposed to be taken), and what corrective action Contractor has taken (or plans to take) to prevent future similar Incidents. In addition, Contractor shall provide any related additional information or reports reasonably requested by CalSTRS, a CalSTRS designated third party or law enforcement. In the event Contractor undertakes any investigation of a suspected Incident, it shall keep CalSTRS regularly apprised of its investigatory progress at intervals requested by CalSTRS.
- e. Contractor shall fully cooperate with any investigation conducted by CalSTRS, a CalSTRS designated third party or law enforcement with respect to any suspected Incident involving or relating to Contractor or CalSTRS Information, including (without limitation):
 - i. Immediately applying appropriate resources to assist in the investigation and remedying of the Incident;
 - ii. Preserving and providing all potential forensic evidence relating to the Incident;
 - iii. Promptly designating an individual as the prime contact for any CalSTRS communications or inquiries;
 - iv. Making witnesses and documents immediately available to CalSTRS, a CalSTRS designated third party or law enforcement requests;
 - v. Providing status reports to CalSTRS on Contractor's response activities.
- f. Contractor shall additionally fully cooperate and make itself available to CalSTRS,

a CalSTRS designated third party or law enforcement at no additional cost in order to testify as a witness, or otherwise, in the event of an Incident which relates to Contractor's performance hereunder (or other unauthorized disclosure of CalSTRS Information caused by Contractor) and which results in litigation, governmental investigation(s) or an administrative proceeding(s) by or against CalSTRS (or its directors, officers, agents or employees).

7. Information Security Indemnity

Contractor agrees to indemnify, defend and hold harmless the State of California, CalSTRS, the Teachers' Retirement Board, the Teachers' Retirement Fund and all of the officers, trustees, agents and employees of the foregoing, from and against any and all losses, costs, liabilities, damages or deficiencies, including interest, penalties and attorneys' fees, which 1) arise out of or are due to a breach by Contractor of any of its representations, warranties, covenants or other obligations contained in this Agreement, or 2) are caused by or resulting from Contractor's acts or omissions constituting bad faith, willful misfeasance, negligence or reckless disregard of its duties under this Agreement, or 3) accrue or result to any of Contractor's subcontractors, materialmen, laborers or any other person, firm or corporation furnishing or supplying services, material or supplies in connection with the performance of this Agreement.

8. Contractor's Information Security Representations and Warranties

- a. Contractor warrants that any material information relating to any security Incidents from the past five (5) years has been disclosed to CalSTRS.
- b. Contractor shall disclose any legal or regulatory actions pending against Contractor relating to an Incident, and to Contractor's actual knowledge, also disclose if there are any legal or regulatory actions threatened against Contractor relating to an Incident.
- c. Contractor warrants that there will be no processing, storage or transmission of CalSTRS Information by third parties (fourth parties to CalSTRS) not approved by CalSTRS in writing. Contractor shall direct any approved third party to adhere to the provisions of this Addendum. Contractor will provide copies of its fourth-party risk management policies to CalSTRS upon request.
- d. Contractor represents and warrants that it shall employ or contract with and retain at all times sufficient personnel qualified or paid security service to maintain and execute its Information Security Plan.

9. Cyber Security Insurance

When deemed necessary by CalSTRS, in addition to that insurance required to be carried by Contractor under the Agreement, Contractor agrees to obtain and maintain during the term a policy of insurance that provides coverage for privacy and data security Incidents

with policy limits of at least \$1,000,000 (per occurrence) and \$5,000,000 (aggregate). The cost of this additional policy shall be borne by Contractor and the policy shall include coverage for the reasonable cost of investigating and responding to Information Security Incidents.

10. Effect on Related Transactions

The terms of this Addendum shall apply to all contracts, subcontracts and sub-awards, regardless of whether they are for the acquisition of services, goods or commodities. The Contractor shall incorporate the contents of this Addendum into each subcontract or sub-award to its agents, subcontractors, or independent consultants.

11. Amendment

The parties acknowledge that federal and state laws and regulations relating to information security and privacy are rapidly evolving and that amendments to this Addendum 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 Information. The parties agree to promptly enter into negotiations concerning an amendment to this Addendum consistent with new standards and requirements imposed by applicable laws and regulations.

12. Interpretation

The terms and conditions in this Addendum 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 Addendum shall be resolved in favor of a meaning that complies and is consistent with federal and state laws and regulations.

13. Return or Destruction of CalSTRS Information

Within 30 days of written notice from CalSTRS of the termination, cancellation, expiration or other conclusion of this Addendum, Contractor will return any and all CalSTRS Information (either in original format or a reasonably acceptable human readable format agreed upon in writing by both CalSTRS and Contractor). Contractor will destroy all CalSTRS Information, and both parties will work together in good faith to determine an appropriate timeline and confirmation process for the data destruction. This paragraph will also apply to all CalSTRS Information that is in the possession of Contractor. Contractor will certify in writing to CalSTRS that Contractor has returned any and all CalSTRS Information, or destruction has been completed.

If Contractor believes that return or destruction of the CalSTRS Information is technically impossible or impractical, Contractor shall provide CalSTRS with a written statement of the reason executed under penalty of perjury under the laws of the state of California. If CalSTRS decides that return or destruction is technically impossible or impractical,

Contractor will continue to protect the CalSTRS Information in perpetuity in accordance with the terms of this Addendum and under the coverage outlined in Section 9 of this Addendum.

14. 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 Addendum or the Agreement to which it is incorporated.

CalSTRS Compliance Officer	CalSTRS Information and Security Officer	CalSTRS IT Service Desk
Name: Office of the General Counsel Phone: 916-414-1724 Email: compliance@CalSTRS.com	Name: Information Security Office Phone: 916-414-1999 Email: ISO@CalSTRS.com	Name: IT Service Desk Phone: 916-414-HELP Email: TSServiceDesk@CalSTRS.com

This form is intended for external use only

Authorized Representative Name: _____

Organizational Title: _____

Entity Name: _____

By signing this form, I, the 'Authorized Representative,' hereby represent and warrant that I have the authority to act on behalf of the entity, and its employees, hereinafter collectively referred to as the 'Entity,' and that I am duly authorized to enter into and execute such agreements on behalf of the Entity. I further acknowledge that the terms of this agreement are binding upon the Entity.

I also personally agree to abide by the terms and conditions set forth herein and accept personal responsibility for compliance with this agreement. Additionally, I commit to providing the necessary training and education to the Entity regarding the terms, obligations and responsibilities outlined in this agreement.

Furthermore, both the Entity and I acknowledge that we:

- Must ensure the upmost protection of any data, whether it be confidential, sensitive or personally identifiable information, from any unauthorized individuals or parties, without exception, as required by applicable laws, regulations and CalSTRS policies and standards.
- Have a collective responsibility to protect CalSTRS' business data and information.
- Acknowledge that CalSTRS strictly enforces information security.
- Understand that accessing member accounts of family, friends and acquaintances is strictly forbidden.

Any breach of confidentiality, unauthorized access, disclosure or mishandling of such data puts CalSTRS' information at risk, is potentially illegal and may result in disciplinary actions, including but not limited to legal consequences and termination of the associated contract. Protecting CalSTRS' intellectual property from unauthorized access is of paramount importance to the parties involved, and failure to uphold this commitment will be met with strict consequences to maintain the trust and integrity of CalSTRS.

Authorized Representative Name (print)	Signature	Date
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We/I agree to protect all confidential, sensitive and personally identifiable information from unauthorized access, disclosure or mishandling including, but not limited to:

- Member account information.
- Claimant and member employer information.
- Information pertaining to individuals that concerns their personal life, or that can serve, directly or indirectly, to identify or describe an individual.
- Confidential and proprietary information belonging to other agencies.
- Employee personnel, medical or other personally identifiable information.

- Methods employed by agencies to safeguard information, including, without limitation, system, network and server configurations.
- All security-related devices, data or information, such as tokens, access cards, User IDs or associated passwords.

We/I agree to protect the foregoing data and information in the following ways:

- Access, inspect, use, store, disclose or modify information *only* to perform official duties.
- Never access, attempt to access, inspect, store, use, disclose or modify information, including my own, for curiosity, personal gain or any non-business-related reason.
- Secure CalSTRS electronic or physical documents containing confidential, sensitive or personal information only in approved CalSTRS storage facilities.
- Video or photographs of non-public areas of CalSTRS are permitted only when taken with CalSTRS issued devices and only with prior authorization from your CalSTRS supervisor or manager and the consent of any individuals involved.
- Video or audio recordings of CalSTRS' personnel or non-public activities are prohibited without prior express written permission from your CalSTRS supervisor or manager and the consent of any individuals involved.
- Comply with all CalSTRS policies, standards and procedures for data and information, including secure transportation, handling, use in generative artificial intelligence, retention and destruction.
- Return all CalSTRS owned devices and immediately cease using User ID and password upon separation from CalSTRS.
- Always lock (Ctrl + Alt + Del, then click 'Lock' or Windows key + L) computer systems if you intend to leave them unattended.

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

We/I expressly consent to CalSTRS monitoring all our devices and activities used to conduct or discuss CalSTRS business, information, or data and acknowledge that there is no expectation of privacy related to any information including, but not limited to, personal or business email accounts, devices such as computers or phones, access to CalSTRS systems or facilities, CalSTRS networks and servers or any electronic or physical records or data. Any information gathered may become discoverable as evidence in a court of law when relevant to legal proceedings, internal or external investigations and may also be provided pursuant to the California Public Records Act (CPRA).

Authorized Representative Name (print)

Signature

Date

REFERENCE

CalSTRS' Information Security Policy; Civil Code section 1798 et seq; Education Code section 22306; Government Code sections 11019.9 and 7920.000 et seq.; Federal Acquisition Regulation (48 CFR 27.402 Policy); and State Administrative Manual section 5300-5360.1 and 4986-4986.13.

CERTIFICATION

I certify that I have read this document and understand information security is strictly enforced. I certify that unauthorized access, inspection, use, storage, disclosure or modification of confidential, sensitive, non-public or personal information, including my own, or any attempt to engage in, or failure to prevent such acts is prohibited. Noncompliance with this agreement or attempt to circumvent any information security policy, standard, procedure or control puts CalSTRS' information at risk, is potentially illegal and may be grounds for legal action taken against me and the Entity.

Authorized Representative Name (print)

Signature

Date

ASSISTANCE

Contact the CalSTRS Legal Department at (916) 414-1724 if you have questions or need assistance completing the form.



Securing the Financial Future and Sustaining the Trust of California's Educators

CalSTRS MINIMUM INFORMATION SECURITY REQUIREMENTS (MISR)

This orange highlight refers to controls that apply to the Moderate Tier, all controls apply to the High tier.

The CalSTRS Information Security Office (ISO) may request additional controls if minimum requirements cannot be met or sufficiently compensated.

As a state agency, CalSTRS is subject to the California Public Records Act (Division 10 (commencing with Section 7920.000), Title 1, Government Code). Information provided in response to these minimum requirements is a public record, but will be deemed confidential to CalSTRS to the extent your responses are confidential under the Public Records Act. If you have any questions or concerns, please contact ISO.

General	
GEN-1	Contractor certifies that its officers, employees, agents, subcontractors, and anyone directly or indirectly employed, directed or controlled by the Contractor will comply with the CalSTRS information security requirements.
Architecture	
ARC-1	All user access to cloud-based services must be routed through secure access controls and authentication mechanisms to support enforcement of security policies and protection of data.
ARC-2	Systems must implement a layered architecture to physically or logically separate presentation, business logic and data storage.
ARC-3	Multi-tier architectures must enforce network segmentation between layers using firewalls or equivalent access controls.
ARC-4	Network traffic must be controlled using a default deny approach, allowing only authorized inbound and outbound connections necessary for business operations.
Artificial Intelligence (AI)	
AIS-1	Vendors must disclose whether Artificial Intelligence (AI) is used within any infrastructure, services, or operational processes.
AIS-3	Use of AI must be subject to a defined governance process that addresses risk management, security, accountability, and compliance.
AIS-5	AI models may be trained on data provided by the customer, third-party data, or a combination of both. The source and nature of training data must be clearly defined.
AIS-6	Customer data must not be shared externally for AI training or any other purpose.
AIS-7	AI models must not include copyrighted or proprietary material without legal authorization.
AIS-8	AI systems must include human oversight to ensure responsible operation and intervention when needed.
AIS-10	AI models hosted outside the customer's infrastructure must be restricted to authorized data owners or custodians designated by the customer.

AIS-11	A shared responsibility model must be defined for cloud-hosted infrastructure and AI systems, clearly delineating roles for managing data, security, and operational outcomes.
AIS-12	AI systems must undergo rigorous testing and include assurance controls such as data validation, performance testing, integrity monitoring, and transparency in algorithm updates to reduce the risk of unintended behavior.
AIS-14	Organizations must maintain an inventory of Large Language Models (LLMs) and other integrated AI systems, including their purpose, version, and usage context. LLMs must be compatible with applicable security protocols and regulatory requirements.
Audit and Event Logging	
Event and Activity Logging	
AEL-1	Audit logs must capture all authentication events, both successful and unsuccessful, and must include sufficient detail to uniquely identify the user and related activity.
AEL-2	System logs must be formatted for compatibility with centralized logging solutions and must be actively transmitted to an approved log aggregation or SIEM platform.
AEL-3	Access to log data must be restricted to authorized personnel with a defined business need.
AEL-4	Logs must be protected against unauthorized access, including from administrators of the systems that generate the logs, and must only be viewable by individuals with a documented business need.
Availability and Retention	
AEL-5	Audit records must be retained for a minimum of 90 days and made available in a timely manner to support security investigations and regulatory or legal obligations.
AEL-6	Requirements for system and application logging must be defined, documented, and periodically reviewed. Logging capabilities, including resource impacts such as storage, performance, and scalability, must be evaluated when implementing or onboarding systems.
Data Handling and Custody	
DHC-1	Customer data and underlying structures must be logically or physically isolated from other clients and must not be used for general benchmarking, analytics, or marketing purposes.
DHC-2	Customer data must be stored, backed up, and processed only within the continental United States, in accordance with applicable contractual and regulatory requirements.
DHC-3	Upon request or contract termination, all customer data must be returned in either its original format or another mutually agreed, human-readable format. After the customer formally accepts the returned data, the provider must permanently delete all retained copies and provide written confirmation of deletion.
Encryption Standards	
ENC-1	Data must be encrypted using industry-accepted cryptographic algorithms that meet or exceed current security standards.
ENC-2	Data integrity must be ensured using cryptographic methods such as hashing to detect unauthorized modifications and validate authenticity.
ENC-3	Cryptographic keys must be securely stored in encrypted, access-controlled environments to prevent unauthorized access or disclosure.

ENC-4	Cryptographic keys must be retired or replaced prior to expiration or immediately upon suspected compromise.
External Audit and Assurance	
EAA-1	Independent security assessment reports, such as SOC 2, ISO/IEC 27001, or equivalent, must be made available for review upon request.
EAA-2	Independent security assessment reports must be dated within the past 12 months to ensure current control effectiveness.
EAA-3	A documented remediation plan must be in place for any findings identified in SOC 2 or equivalent audit reports.
Identity and Authentication Management	
Account Management and Access Control	
IAM-1	Each user account must be uniquely assigned to a single individual to ensure traceability and accountability.
IAM-2	Access must be managed using role-based access control and separation of duties to align privileges with user responsibilities and reduce risk of misuse.
IAM-3	User access must be limited to only the permissions necessary to perform authorized job functions, following the principle of least privilege.
IAM-4	Guest accounts and accounts without passwords must be disabled to prevent unauthorized access.
IAM-5	Multifactor authentication should be used, where appropriate, to supplement password protections such as when accessing systems remotely or performing high-risk activities.
IAM-6	Group or shared user accounts and passwords must not be used.
Password Policy and Configuration	
IAM-7	Password-based authentication must include a unique user identifier and a corresponding password. User identifiers must not be changed once assigned and must be retained for as long as necessary to meet business, legal, or audit requirements.
IAM-8	Password complexity requirements must enforce a combination of at least three-character types: uppercase letters, lowercase letters, numbers, and special characters.
IAM-9 For systems that support long passwords:	
IAM-9.1	Systems that support long passwords must enforce a minimum password length of 15 characters.
IAM-9.2	Systems that support long passwords must retain history of at least 12 passwords.
IAM-9.3	Systems that support long passwords must limit password age to 730 days.
IAM-9.4	Systems that support long passwords must lock accounts after no more than 5 consecutive invalid login attempts.
IAM-10 For administrative, system and service accounts on systems that can support long passwords:	
IAM-10.1	Administrative, system and service accounts on systems that can support long passwords must enforce a minimum password length of 20 characters?
IAM-10.2	Administrative, system and service accounts on systems that can support long passwords must retain password history for at least 12 cycles.
IAM-10.3	Administrative, system and service accounts on systems that can support long passwords must limit password age to 30 days.

IAM-10.4	Administrative, system and service accounts on systems that can support long passwords must lock accounts after no more than 5 invalid login attempts.
IAM-10.5	Administrative, system and service accounts on systems that can support long passwords should use a centralized solution to enforce password controls consistently across privileged systems.
IAM-11 For systems that cannot support long passwords:	
IAM-11.1	Systems that cannot support long passwords must enforce a minimum password length of 8 characters.
IAM-11.2	Systems that cannot support long passwords must limit password age to 90 days.
IAM-11.3	Systems that cannot support long passwords must retain history of at least 12 cycles.
IAM-11.4	Systems that cannot support long passwords must lock accounts after no more than 5 consecutive invalid login attempts.
IAM-12 For administrative, system and service accounts on systems that cannot support long passwords:	
IAM-12.1	Administrative, system and service accounts on systems that cannot support long passwords must enforce a minimum password length of 8 characters.
IAM-12.2	Administrative, system and service accounts on systems that cannot support long passwords must limit password age to 365 days.
IAM-12.3	Administrative, system and service accounts on systems that cannot support long passwords must retain history of at least 12 cycles.
IAM-12.4	Administrative, system and service accounts on systems that cannot support long passwords must lock accounts after no more than 5 consecutive invalid login attempts.
IAM-13	Default or initial passwords must be changed upon first login to prevent unauthorized access.
IAM-14	Passwords must not contain the user ID or any portion of the associated user's name.
IAM-15	Default passwords on devices must be changed prior to deployment or integration into any production environment.
IAM-16	All accounts, including testing and training accounts, must not use generic passwords. First-time passwords must be uniquely assigned and changed promptly after initial use.
IAM-17	Passwords must not be based on personal information, including names, dates, phone numbers, or addresses.
IAM-18	Passwords for domain administrator, system, and service accounts must be changed when personnel with access to them leave the organization. These passwords must remain confidential and be shared only with the minimum number of administrators necessary for operational support.
IAM-19	Passwords for privileged accounts must be unique for each system or service to prevent credential reuse across environments.
IAM-20	Built-in password policy enforcement mechanisms should be used to support centralized and consistent password management.
IAM-21	New passwords must be sufficiently different from previously used passwords to prevent reuse or predictable variation.
Password Use and Handling	
IAM-22	Passwords must not be embedded in scripts, macros, or other forms of automated code execution.

IAM-23	Passwords must be distributed using secure methods that prevent unauthorized disclosure or alteration.
IAM-24	Passwords must remain confidential and must not be disclosed.
IAM-25	Passwords must not be written down or stored in plain text, whether in physical or digital form.
IAM-26	Password autofill or “remember password” features must not be used, except within an approved password vault or privileged access management (PAM) solution.
Incident Response and Notification	
IRN-1	Confirmed or suspected security incidents must be reported immediately and must disclose, at minimum: the nature of the incident, affected data or systems, individuals involved (if known), mitigation actions taken or proposed, and corrective actions to prevent recurrence.
IRN-2	Relevant event logs associated with any security incident must be retained and made available to support investigation and response.
IRN-3	Additional incident-related information or reports must be provided upon request and must keep impacted parties informed of investigation progress if an investigation is conducted.
IRN-4	Security systems must support endpoint-wide investigative scanning, including RegEx, file, hash, and value search capabilities, along with integrated tools for malicious activity review, tagging, annotation workflows, and hunting for Indicators of Compromise (IOCs) through event analysis.
IRN-5	Security systems must support root cause investigations through integrated forensic capabilities, including user and entity behavior analysis and historical process mapping.
IRN-6	Security systems must provide built-in analysis and reporting tools, as well as the ability to create and customize searches and investigation workflows.
Patches, Hotfixes and Updates	
PHU-1	Security patches classified as high, critical or emergency must be applied to all systems within defined timeframes based on risk and severity.
PHU-2	Patches for infrastructure components such as firewalls, routers, switches, and network appliances must be reviewed at least quarterly. Additional patches must be applied as needed to address high-risk vulnerabilities.
PHU-3	High, critical and emergency patches must be tested and deployed to all endpoints within a timeframe appropriate to the associated risk.
Physical and Environmental Security	
Where appropriate to the organization’s role:	
PES-1	Physical security controls must be implemented, which may include key card/badge access systems.
PES-2	Physical security controls must include access logging, retained for a minimum of 90 days.
PES-3	Physical security controls must include video surveillance with retention for a minimum of 90 days.
PES-4	A 24-hour monitored security system must be in place.

PES-5	On-site security personnel must be provided.
PES-6	Fire detection and protection systems must be implemented and maintained.
PES-7	Secure on-site media destruction must be used for the disposal of physical media containing sensitive information.
Virus Protection	
Detection and Protection Capabilities	
VIP-1	Malware protection must be deployed on all endpoints and must include real-time, on-agent detection and prevention using both signature-based and behavior-based techniques. Solutions must be capable of identifying and blocking known and emerging threats, including fileless attacks, memory-based exploits, indicators of compromise, and zero-day vulnerabilities.
VIP-2	Malware protection tools must support integration with security monitoring and response systems.
VIP-3	Malware protection systems must provide near real-time visibility into endpoint inventory and application versions through centralized reporting.
VIP-4	Malware protection systems must support current and updated releases of Windows, Linux, and Mac operating systems, and be continuously maintained by the vendor to support future platform versions.
Endpoint Agent Configuration	
VIP-5	Endpoint protection agents must be protected from unauthorized disablement or uninstallation through password protection or equivalent controls.
VIP-6	Endpoint protection systems must support centralized software distribution for updates or integrate with existing enterprise distribution tools.
Investigative Support Capabilities	
VIP-7	Security systems must maintain a historical timeline of key endpoint activities across monitored devices, which may include file, registry, network, driver, and execution events, along with indicators of business impact such as data loss or fraud.
Web Application Security	
Secure Configuration and Server Hardening	
WAS-1	Web applications must redirect all HTTP traffic to HTTPS to ensure secure, encrypted communication.
WAS-2	Web applications must use TLS version 1.2 or higher to ensure secure communication.
WAS-3	Unused or unnecessary files must be removed from web servers to reduce attack surface.
WAS-4	Development or debugging code must not be present on production systems.
WAS-5	Secrets such as API keys, credentials, tokens, and certificates must not be stored in source code or configuration files.
WAS-6	Static HTML pages must not contain scripting or executable content to reduce exposure to client-side attacks.
WAS-7	Directory listing and directory browsing must be disabled on all production web servers.
WAS-8	Web applications must use DNS aliases instead of direct IP access to abstract infrastructure details and support secure naming.

WAS-9	Web applications must implement HTTP response headers that enforce secure transport and content-type protections, such as Strict-Transport-Security and X-Content-Type-Options.
WAS-10	Web applications must implement security headers that restrict content execution and control browser behavior, such as Referrer-Policy, Content-Security-Policy, and X-Frame-Options.
Authentication and Identity Management	
WAS-11	Authentication credentials must be encrypted in transit using secure protocols to prevent interception or unauthorized access.
WAS-12	Authentication should be managed through a centralized or federated identity service to support consistent access control across applications.
WAS-13	Web application components must mutually authenticate when communicating across backend services to ensure trust and prevent impersonation.
WAS-14	Web applications must support strong authentication mechanisms such as multi-factor authentication to reduce the risk of unauthorized access.
WAS-15	Access rights for web applications, including user roles and server or service accounts, must follow the principle of least privilege.
WAS-16	Web applications must enforce strong password policies aligned with current security best practices.
WAS-17	Authentication error messages must be generic and must not reveal whether a username or password is valid.
Secure Coding and Configuration	
WAS-18	Web applications must not include hard-coded infrastructure details such as database names, usernames, or hostnames in source code.
Input Validation and Error Handling	
WAS-19	Web applications must perform data validation on both username and password input fields to prevent injection and other input-based attacks.
WAS-20	Web applications must validate and sanitize all user input on both the client and server side to prevent injection, data tampering, and other input-based attacks.
Session Management and Protection	
WAS-21	Session identifiers and cookies must be transmitted over encrypted channels using secure protocols such as TLS and must be validated to ensure authenticity.
WAS-22	Web applications must enforce session management for authentication events, including issuing a new session identifier upon successful login.
WAS-23	Authentication sessions must use secure, cryptographically random tokens to prevent session prediction or fixation.
WAS-24	Authenticated session identifiers must be encrypted in transit to prevent interception or misuse.
WAS-25	Web applications must invalidate authentication sessions upon logout to prevent reuse or unauthorized access.
WAS-26	Web applications must enforce session expiration and idle timeout limits, particularly for applications that process or store personal or sensitive data.
WAS-27	Web applications must require users to re-authenticate before performing sensitive actions, such as modifying personal or account-related information.

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
WORK AUTHORIZATION

CONTRACT NUMBER: _____ REQUESTED BY: _____

THE APPROVED WORK AUTHORIZATION SHALL BECOME A PART OF THE AGREEMENT

In accordance with Exhibit A, Scope of Work, CalSTRS directs the Contractor to perform the following work:

Contractor's Estimated Hours to Complete: _____

Consultant: _____	Hourly Rate: _____	Estimate # of Hours: _____
Consultant: _____	Hourly Rate: _____	Estimate # of Hours: _____
Consultant: _____	Hourly Rate: _____	Estimate # of Hours: _____
Consultant: _____	Hourly Rate: _____	Estimate # of Hours: _____

Contractor's Estimated Total Cost of this Work Authorization: \$ _____

Estimated Delay to Delivery Date: _____

APPROVALS: *(All Work Authorizations must be approved in writing by both parties.)*

(Contractor) Approved by: _____ Date: _____

Name and Title: _____

(CalSTRS) Approved by: _____ Date: _____

Name and Title: _____