

THE TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
REQUEST FOR PROPOSALS
FOR COMMERCIAL REAL ESTATE PROPERTY APPRAISAL SERVICES

#715-18-1003

The Board of Trustees of the Teachers' Retirement System of Oklahoma (TRS) is issuing this Request for Proposal to find a qualified firm to provide commercial real estate property appraisal services. This RFP provides information on TRS and establishes the specifications and requirements for submitting a proposal. The term "Vendor" as used in this Request for Proposals (RFP) shall mean the company submitting proposals for consideration.

TRS reserves the right to reject any or all proposals submitted. There is no express or implied obligation for TRS to reimburse Vendors for any expenses incurred in preparing proposals in response to this RFP. In the event that none of the proposals are satisfactory to TRS, no selection will be made. Proposals submitted in response to the RFP become the property of TRS and are subject to public inspection. TRS reserves the right to modify the RFP contents and requirements at any time prior to the submission deadline.

This RFP is comprised of eleven sections, which contains eight pages total, as follows:

Section		Page #
I.	Proposal Cover Sheet (to be returned with Proposal)	2
II.	Mandatory Requirements for Submitting a Proposal	3
III.	Timeline	4
IV.	Minimum Qualifications of the Vendor	5
V.	Statement of Needs	5
VI.	Property Description	5
VII.	Questionnaire	5
VIII.	Fee and Fee Structure	6
IX.	Communication with TRS	6
X.	Background	6
XI.	General Terms and Conditions	7

This RFP can be found on the TRS website at www.trs.ok.gov. If you are unable to download the document from the website, you can also obtain an electronic copy of this RFP through e-mail. Send your request to: sam.moore@trs.ok.gov. Include the name of the RFP and the proposal number in your request. All responses to this RFP must be submitted in accordance with the instructions contained in the RFP.

Regardless of the manner in which the RFP document is received by the Vendor, the contents of the RFP may not be altered in any way. The Vendor's Affidavit and all questions must be identically reproduced in the submitted proposal. Any alterations to the contents of the RFP document will be grounds for dismissal from consideration or termination of any resulting contract. By submitting an RFP, it is agreed by the Vendor that any misleading or false information given may be grounds for rejection from consideration, and/or termination of any resulting contract whenever and however discovered.

I. PROPOSAL COVER SHEET
(must be signed, notarized and returned)

Proposal Number	Agency Requisition No.	Proposal Deadline
715-18-1003 (Commercial Real Estate Property Appraisal Services)		must be rec'd by 4:30 p.m. CT November 17, 2017

Vendor Identification:

Name of Firm:	_____
FEI #	_____
Address:	_____

City/State/Zip Code:	_____
Telephone Number:	_____
Facsimile Number:	_____
Email of contact	_____

VENDOR'S AFFIDAVIT

STATE OF _____)
) SS:
COUNTY OF _____)

_____ (Print Name), of lawful age, being first duly sworn, on oath says that:

- (S)he is the duly authorized agent of _____, the vendor submitting this proposal which is attached to this statement for the purpose of certifying the facts pertaining to the existence of collusion among vendors and between vendors and state officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to the proposal to which this statement is attached;
- (S)he is fully aware of the facts and circumstances surrounding the making and submitting of this proposal and has been personally and directly involved in the proceedings leading to the submission of such proposals; and
- Neither the vendor nor anyone subject to the vendor's direction or control has been a party: a) to any collusion among vendors in restraint of freedom of competition by agreement to propose a fixed price or to refrain from submitting a proposal; b) to any collusion with any state official or employee as to quantity, quality or price in the prospective contract, or as to any other term of such prospective contract; nor, c) in any discussions between vendors and any state official concerning exchange of money or any other thing of value for special consideration in the award of this prospective contract; d) to paying, giving or donating or agreeing to pay, give or donate to any officer or employee of the State of Oklahoma, any money or other thing of value, either directly or indirectly, in procuring this prospective contract.
- The information contained in this proposal is true, correct and accurate as presented.

Name/Title

Subscribed and sworn to before me this _____ day of _____, 20 ____.

Notary Public

(seal)

My commission expires: _____

II. MANDATORY REQUIREMENTS FOR SUBMITTING A PROPOSAL

A. Original proposal must be received only at the following address:

Teachers' Retirement System of Oklahoma
ATTN: Sam Moore
2500 N. Lincoln Blvd. Ste 500
Oklahoma City, Oklahoma 73105

B. The deadline for receipt of complete proposals via e-mail or delivery to TRS is **4:30 p.m. Central Time, on November 17, 2017**. If the complete proposal is delivered by e-mail, an original proposal must be received by TRS at the address above by 11 a.m. Central Time, on November 17, 2017. **Proposals that are received via e-mail without an accompanying original copy received by November 17 by 4:30p.m. CST, or proposals submitted to the incorrect address or location or received after this date and time will be rejected and will not be considered.**

C. The completed proposal must contain the Proposal Cover Sheet, fully completed, signed and notarized. The Vendor shall submit an original proposal, four (4) copies, and one (1) electronic version of the complete response on CD or flash drive in PDF format. The CD or flash drive must be clearly marked with the Vendor's name and proposal number.

The original proposal, the copies, the proposal cover sheet and the CD or flash drive must be submitted together in one completely sealed package, box, or envelope. It must be clearly marked "Commercial Real Estate Appraisal Services" on the outside face of the package containing the proposal in order that the receiving agent can identify it without opening the package.

D. Complete proposals may be delivered to TRS via e-mail by the deadline. Send e-mail version to sam.moore@trs.ok.gov. The original proposal may be either mailed or hand-delivered. If the proposal is sent by mail or express delivery service, the responding Vendor shall be responsible for actual delivery of the proposal to the proper address before the deadline. All timely proposals become the property of TRS.

E. All proposals, once opened, are considered to be a public record and shall be available for viewing and reproduction by any person.

F. In submitting this proposal, the Vendor must agree to an audit which provides that books, records, documents, accounting procedures, practices or any other items of the service provider relevant to the proposal are subject to examination by TRS, the Oklahoma State Auditor and Inspector, and the State Purchasing Director.

G. In an effort to clarify any issues in this RFP, TRS will respond only to questions that are presented through e-mail. Questions should be submitted to Sam Moore at sam.moore@trs.ok.gov. All questions and answers will be consolidated into a single Q&A document. All questions must be received by 4:30pm. CST on November 3, 2017. The Q&A document will be posted on the TRS web site at www.TRS.ok.gov on or November 10, 2017. This will be the only distribution method for the Q&A document.

H. It is the responsibility of the Vendor to ensure compliance with all requirements and deadlines. Proposals which are not in compliance with the RFP requirements may be rejected. It

is the responsibility of the Vendor to ensure delivery of all required response material. TRS assumes no responsibility for technological or logistical issues in delivering the Vendor response. All proposals will be reviewed to determine if they satisfy the mandatory criteria in this RFP. Proposals not satisfying the mandatory criteria will be rejected.

I. All costs of preparation and presentation associated with a response to this RFP will be the responsibility of the Vendor. Vendors may be asked to make a presentation before the Board if selected as a finalist.

J. The selection of firms providing services for TRS may be specifically exempt from the competitive bidding procedures established by Oklahoma Statutes (see Title 70 Oklahoma Statutes §17-106). The Board of Trustees of TRS reserves the right to request additional information from any Vendor and to accept or reject any proposal without specifying the reason for its actions. The Board reserves the right to request additional proposals. Further, the Board specifically reserves the right to renegotiate for lower fees at any time with any Vendor.

K. The Board reserves the right to award all, part, or none of this contract.

L. The Vendor shall be bound by the information and representations contained in any proposal submitted. The proposal is deemed to be a binding offer on the part of the Vendor.

M. Submission of a proposal in response to this RFP evidences the Vendor's acceptance of the terms and conditions contained within the RFP.

N. TRS prohibits the payment of a finder's fee in any form. The Vendor must certify that no finder's fee or finder's commission has been paid or shall be paid to any individual or organization from the establishment of this investment relationship with TRS.

O. All Vendors must:

1. Agree that any resulting contract and services will be subject to and interpreted by Oklahoma law.
2. Agree that this RFP and the Vendor's response will be incorporated by reference to any resulting agreement.
3. Answer, to the best of its abilities, all questions in this RFP in the order presented. Do not add appendices to the end of the RFP unless specifically asked to do so.
4. Fully disclose any proposed subcontracting of any of the required services.

III. TIMELINE

The following timeline is an estimate and may be adjusted at TRS' discretion any time during this procurement process.

Distribution of RFP	October 26, 2017
Deadline for questions submitted by e-mail	November 3, 2017
Date for answers to be posted on TRS Website	November 10, 2017
Completed Proposals Due	November 17, 2017

IV. MINIMUM QUALIFICATIONS

The Vendor must meet all of the following minimum qualifications. Failure to meet the minimum qualifications described in this RFP may result in the rejection of the proposal. The Vendor shall certify that the firm, the principal performing the work, and any secondary or supporting staff who may assist the principal, meet the minimum qualifications.

- A. The Vendor must be a professional firm whose primary line of business includes providing the services requested by the Board. Alternatively, the firm must have expertise in the areas requested by the Board if those areas are not the primary line of business.
- B. The Vendor must have been in existence as a business entity performing such services for a minimum of five (5) years. The vendor must have at least five years of experience performing commercial property appraisal and valuation services.
- C. The Vendor must have all necessary permits, licenses, and credentials to perform the requested service. The Vendor must be bonded where applicable. Liability insurance must be in full force at the time the proposal is submitted and must be maintained throughout the term of the contract. Evidence of the items listed above shall be made available to the Board and TRS staff upon request.
- D. The Vendor must provide its own work facilities, equipment, supplies, and support staff to perform the required service.

V. STATEMENT OF NEEDS AND TERM

The Board is seeking commercial property appraisal and valuation services associated with the Board's potential acquisition of a commercial office building. The Board is seeking to purchase a commercial office building for both investment purposes and potential occupancy by TRS. Prior to acquisition, the Board will need a commercial real estate appraiser to appraise any potential building acquisitions for the Board in conjunction with an offer to purchase. The term of the contract is for a partial year period ending on June 30, and will be renewable for four additional one-year periods.

VI. PROPERTY DESCRIPTION

Prospective commercial office buildings will be in the Oklahoma City metro area. The potential properties will consist of one (1) possibly two (2) mid-rise multi-tenant office buildings that will be approximately 125,000 square feet in total size (between the two if two buildings) or less.

VII. QUESTIONNAIRE

General Questions

- 1) Who will be conducting the appraisals? Describe that individual's overall experience, including experience in commercial property appraisal and valuation.
- 2) Does the principal conducting the appraisal have any credentials, additional certifications, or professional designations related to commercial real estate appraisal and/or valuation?

- 3) Describe and detail the Vendor's methodology for appraising commercial property. Include a discussion of the approach preferred by the Vendor (e.g. local comparisons, discounted cash flows, blended valuation). In addition, discuss the software used to conduct the analysis.
- 4) Provide an example appraisal report. The report may be attached to the end of this document.
- 5) What data does the Vendor require to complete the appraisal and valuation?
- 6) If notified of an appraisal project for TRS approximately how long will it be from time of notification to the conduction of the appraisal? What will be the amount of time between the conduction of the appraisal to TRS' receipt of the appraisal document?
- 7) Please list three references (including contract information) for clients that you have provided the same or similar services for in the past.

VIII. FEES AND FEE STRUCTURE

The Vendor's fee proposal must be a flat fee for each appraisal performed given the property parameters provided in section IV. The fee quote in the response will be a significant factor in determining the successful Vendor.

IX. COMMUNICATION WITH TRS

In an effort to clarify any issues in this RFP, TRS will respond only to questions that are presented as described in Section II.G above. Telephone questions will not be accepted.

TRS policy prohibits direct contact between prospective service providers and TRS Board members, consultants, or staff during this RFP process. This does not include communication with any of TRS' incumbent service providers for normal business not related to this selection process. From the date of release of this RFP until a Vendor is selected and a contract is executed and approved, all contacts and communications regarding this RFP are restricted to the Q&A process. Exceptions include communications with TRS staff during negotiations, presentations, and contract award and execution. Violation of these conditions may result in rejection of a Vendor's proposal.

All Vendors who have submitted a proposal will be notified of the Board's decision after the final selection has been made. This notice of final selection may be the only communication between TRS and the Vendors. Telephone or other inquiries concerning this proposal after the proposal deadline are discouraged.

X. BACKGROUND

A. Legal Authorization

The Board of Trustees of the Teachers' Retirement System of Oklahoma (TRS) is charged with the investment of approximately \$16 billion in retirement funds for public education employees. The TRS investment authorization (statutory provisions generally related to portfolio composition and the types of investments which the Systems could use) is set forth in 70 O.S. Section 17-101 et. seq.

B. Board Composition

TRS is administered by a Board of Trustees composed of 14 voting members including the State Superintendent of Public Instruction, the Director of the Oklahoma Department of Career and Technology Education, the Director of the Office of Management and Enterprise Services, the State Treasurer, or their designees, six members appointed by the Governor, two members appointed by the Speaker of the House of Representatives, and two members appointed by the President Pro Tempore of the State Senate. One nonvoting member is appointed by one of two statewide retired educator associations.

C. Support Services

TRS has an authorized staff of 57 employees but currently employs less than 40. The Executive Director is the chief administrative officer of the System. TRS also employs a General Counsel, Chief Financial Officer, and Chief Investment Officer.

D. The TRS Plan Membership

The TRS Plan is a qualified governmental defined benefit plan established under Internal Revenue Code Section 401(a) and 70 Oklahoma Statutes §§17-101 et seq. TRS administers a retirement plan for public education employees in the State of Oklahoma. All public school teachers and other classified school personnel are required to be TRS members. Support personnel, such as school secretaries, are optional members and may choose to join TRS. TRS has over 600 participating employers statewide, including all public two and four year universities. Certain employees of Oklahoma State University and the University of Oklahoma, upon hire, may elect to either participate in TRS or the alternative retirement plan sponsored by each university. Currently, TRS has over 89,000 active clients, 60,000 retired clients, 10,000 inactive vested clients, and 11,000 inactive vested clients.

XI. GENERAL TERMS AND CONDITIONS

A. Applicable Laws and Courts

This solicitation and any resulting contract shall be governed in all respects by the laws of the State of Oklahoma, and any litigation with respect thereto shall be brought in the District Court of Oklahoma County, Oklahoma. The Vendor shall comply with all applicable federal, state and local laws, rules and regulations.

B. Ethics in Public Contracting

By submitting bids or proposals, Vendors certify that their bids/proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Vendor, supplier, manufacturer or subcontractor in connection with their bid/proposal. Vendors must further certify that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of value, in exchange for procuring this contract.

C. Qualifications of Vendors

TRS may make such reasonable investigations as deemed proper and necessary to determine the

ability of the Vendor to perform the services/furnish the goods, and the Vendor shall furnish to TRS all such information and data for this purpose as may be requested. TRS reserves the right to make a site visit at the offices of the Vendor prior to award to satisfy questions regarding the Vendor's capabilities. TRS further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Vendor show that the Vendor is not properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

D. Business Continuity

The Vendor must indicate any recent or anticipated changes in its corporate structure such as mergers, acquisitions, new venture capital, stock issue, etc. The Vendor agrees to present to TRS a business continuation plan for this program in the event of natural or other disaster.

E. Assignment of Contract

A contract shall not be assignable by the Vendor in whole or in part without the written consent of TRS.

F. Confidentiality

The Vendor is expected to comply with provisions of Oklahoma statutes regarding confidentiality of membership data and agrees not to disclose confidential membership information to other parties without TRS' prior authorization and approval.

G. Period of Contract

It is anticipated that the initial contract shall be for less than a one-year period, commencing on the date of the initial contract through June 30, 2018. Thereafter, the contract may be renewed by the Board annually for four additional one-year contract periods. The Board reserves the right to terminate the contract upon 30 days' notice, with or without cause. In addition, the contract may be renewed for additional one-year periods upon the mutual agreement of the Board and Vendor on terms as may be negotiated by the parties.

H. Ownership of Data and Work Product

There is a presumption that all work product generated for TRS under this contract, as well as all data compiled by the Vendor while performing this contract, shall become the sole property of TRS. TRS must be given reasonable access to all such work product or data compiled by the Vendor in the performance of this contract.

I. Limitation of Liability, Hold Harmless Clauses & Indemnity

The State of Oklahoma and its agencies are prohibited from holding a private entity harmless from liability or providing indemnity to a private entity. TRS will not agree to limiting the liability of a private Vendor. The contract between the successful Vendor and TRS will not have any such terms.