

INVITATION TO NEGOTIATE

Title: Investment Consultant Services for the Florida 529 Savings and ABLE Programs

Issuer: Florida Prepaid College Board

ITN Number: ITN 25-01

Issue Date	January 17, 2025
Written Request for Clarification Deadline	January 27, 2025 12:00PM (ET)
Written Request for Clarification Response	January 29, 2025
Response Deadline	February 28, 2025 12:00PM (ET)
Anticipated Contract Effective Date	July 1, 2025

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1. INTRODUCTION

1.01 ABOUT THE FLORIDA PREPAID COLLEGE BOARD

The Florida Prepaid College Board (Board) administers a Qualified Educational Expense Investment Program for the State of Florida pursuant to Section 529 of the Internal Revenue Code: The Florida 529 Savings (Savings) Program (Approximately \$1.5 billion). The Savings Program allows families to invest for future higher education expenses.

In addition, Section 1009.986, Florida Statutes, provides that the Florida ABLE Savings Program (ABLE) (Approximately \$110 million) shall be operated through Florida ABLE, Inc., a direct support organization established by, and operated pursuant to a contract with the Board. ABLE (marketed as ABLE United) is a savings program for individuals with disabilities to save tax-free without affecting eligibility for federal benefits.

The Board, an agency of the State of Florida created by Section 1009.97, Florida Statutes, has seven members who establish policy and monitor performance for the Savings Program. The Board is administratively housed within the State Board of Administration (SBA) but exercises its powers independently. The Board employs an administrative staff to assist with overseeing the Programs.

Section 1009.986(3)(d), Florida Statutes, establishes the Board of Directors of Florida ABLE, Inc. The Board of Directors consists of the Chair of the Prepaid Board, up to three individuals appointed by the Prepaid Board, one individual appointed by the Governor, and two individuals who are advocates of persons with disabilities of which one is appointed by the President of the Senate and one is appointed by the Speaker of the House.

The Board, has approved a Comprehensive Investment Plan (CIP) and investment guidelines for the Savings and ABLE Programs, as required by Section 1009.973 and 1009.986(5), Florida Statutes. A copy of the CIPs and investment guidelines for the Programs are included as Appendix **D** and **E**.

For more information, please visit myfloridaprepaid.com and ABLEUnited.com.

1.02 PROCUREMENT OBJECTIVE

This Invitation to Negotiate (ITN) has been issued by the Board, pursuant to Section 287.057, Florida Statutes, to obtain written offers for investment consultant services (Responses) from qualified firms (Respondents) for the Board's Savings and ABLE Programs.

The Board is looking for investment consultants with direct experience in Saving and ABLE Programs and are considered industry leaders in these areas.

The Board intends to contract with at least one firm to provide advice and counsel to the Board, enabling them to make well-informed and well-educated investments decisions for the Savings and ABLE Programs. Examples of required consulting services include, but are not limited to:

- Plan design
- Allocations within multi-asset class options
- Selection and monitoring of investment managers
- Ongoing monitoring and reporting of investment performance

1.03 MINIMUM QUALIFICATIONS FOR RESPONDENTS

Respondents must affirmatively state, in writing, that the Respondent:

1. Has 5 years, or more, of experience providing investment consulting services for institutional clients and/or public funds.

2. Has worked as a lead consultant on at least one State's 529 Savings Program.
3. Has worked with at least one State's ABLE Program.
4. Agrees to provide the services as detailed in Section 3 and agrees to all other requirements as stated in the ITN.
5. Has its principal place of business and corporate charter located and registered in the United States.
6. Has not included Going Concern language in any of the previous three annual audit reports of the Respondent's financial statements.

Any Respondent that does not satisfy the minimum criteria herein shall be rejected.

2. SCHEDULE AND COMMUNICATIONS

2.01 SCHEDULE

The following schedule is set forth for informational and planning purposes. The Board reserves the right to modify this schedule as necessary to effectively administer this procurement.

Action	Date & Time	Location
Issue Date	January 17, 2025	
Written Request for Clarification Deadline	January 27, 2025 12:00PM (ET)	ITNinfo.Prepaid@MyFloridaPrepaid.com
Written Request for Clarification Response	January 29, 2025	
Response Deadline	February 28, 2025 12:00PM (ET)	ITNinfo.Prepaid@MyFloridaPrepaid.com
Response Opening*	February 28, 2025 2:00PM (ET)	1801 Hermitage Blvd., Suite 210 Tallahassee, FL 32308
Evaluator Scoring Validation*	March 2025	1801 Hermitage Blvd., Suite 210 Tallahassee, FL 32308
Negotiation Period	March/April 2025	
Negotiation Vote*	April/May 2025	1801 Hermitage Blvd., Suite 210 Tallahassee, FL 32308
Notice of Intended Award	April/May 2025	
Anticipated Contract Effective Date	July 1, 2025	

* Indicates public meeting. Notice of public meetings will be posted in the Florida Administrative Register (FAR).

2.02 OFFICIAL NOTICES

All notices, addenda, revisions, decisions, intended decisions, and other information relating to this procurement will be electronically posted on the State of Florida Vendor Bid System (VBS) website. The Respondent is responsible for monitoring VBS. The Board does not guarantee information obtained from other sources.

Please visit: <https://vendor.myfloridamarketplace.com/>

Agency: **State Board of Administration**

Title: **ITN 25-01**

2.03 COMMUNICATIONS AND RESTRICTIONS THEREOF

In accordance with Section 287.057, Florida Statutes, Respondents to this solicitation or persons acting on their behalf may not contact, between the release of the solicitation and the end of the 72-hour period following the agency posting the Notice of Intended Award, excluding Saturdays, Sundays, and state holidays, any employee or officer of the executive or legislative branch concerning any aspect of this solicitation, except in writing to the procurement officer or as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a Response. The procurement officer for this procurement is:

Shanna Rains, ITN Administrator

Email: ITNinfo.Prepaid@MyFloridaPrepaid.com

The Board is the only entity authorized to issue news releases relating to this procurement and any resulting contract.

3. DESCRIPTION OF SERVICES

3.01 SERVICES

The Board has determined that it is in its best interests to retain the services of an independent entity to provide investment consultant services.

The Respondent selected will establish and assume direct responsibility for providing investment consultant services.

Pursuant to a written contract resulting from this procurement, the Respondent(s) selected shall:

On-going Investment Consultant Services:

For the Savings and ABLÉ Programs, the Respondent shall perform the below services within the requirements set forth in the contract:

Reporting

- a. **Investment Performance Validation** – Interface with the Board's investment custodians (currently, Northern Trust for the Savings Program and Bank of New York Mellon for the ABLÉ Program) to obtain the information necessary to validate investment performance calculated by the Board's custodians.
- b. **Investment Performance Reporting** – Prepare and deliver timely monthly and quarterly performance reports (gross and net of fees where applicable). Report quarterly performance to the Board, including market/economic overviews.
- c. **Investment Performance Summaries** – Prepare performance summary tables that are uploaded to the websites and provided to third party monitoring entities, such as Savingforcollege.com.

Consulting

- d. **Investment Option Design** – Design an investment option line-up that meets the participants needs and aligns with industry best practices. Make recommendations to the Board on enhancements as needed.
- e. **Investment Allocations** – Develop allocations for investment options consisting of multiple asset classes. The allocations should achieve the objectives of the investment option and be supported by appropriate research. Make recommendations to the Board on enhancements as needed.

- f. **Investment Policy/Guidelines** – At least annually, perform a comprehensive review of the Investment Policy/Guidelines ensuring they meet industry standards and are appropriate for the Programs. Make recommendations to the Board for enhancements.
- g. **Investment Manager Monitoring** – Monitor the investment manager's performance vs the expectations provided in the Investment Guidelines. Report to the Board any investment manager failing to meet any quantitative or qualitative measure provided for in the Board's Investment Guidelines. Make recommendations on retaining or replacing identified investment managers.
- h. **Investment Compliance Issues** – Review any investment manager disclosure of securities that become non-compliant with the Investment Guidelines and provide recommendations for corrective actions.
- i. **Presentations** – Attend, present and answer questions in person at all meetings and workshops of the Boards. Generally, the meetings and workshops for the Boards are quarterly and scheduled on back to back days. In addition, assist with generating presentations or other requested information from rating agencies such as Morningstar and Savingforcollege.com.
- j. **Other Consulting/Advisory Services** – Gain a thorough understanding of the Programs and, proactively and as requested, consult/advise by telephone, writing, and in person with the Board and its staff on investment and/or 529 industry matters.
- k. **Research** – Any of the Respondent's ongoing research, including topical papers, client memoranda or current issues for institutional investors made available to clients.

Investment Manager Search

- l. **Investment Manager Searches** - The Board is required by Florida Statutes to competitively procure every investment manager and custodian/trustee. The Respondent shall provide assistance in the development of procurement requests and in the evaluation of respondents for any investment manager and/or investment custodian/trustee search. The Board retains the responsibility to select the investment managers and custodians/trustees. The Respondent shall perform the searches within the requirements set forth in the contract.

Special Consultation and Advisory Services:

As required by the Board, the Respondent must provide special consultation and advice to the Board regarding various unanticipated investment matters, not otherwise included within the Description of Services. The Board and the Respondent shall agree upon the precise scope of these services and the estimated billable hours or fixed cost required to complete the assignment in writing prior to the Respondent beginning work on each project.

3.02 CONTRACT

The Board intends to enter into a written contract with the Respondent(s) that offers the best value to the Board for the services included in this solicitation, as determined by the Board. The contract will incorporate this solicitation and amendments thereof, the written requests for clarifications and the answers thereof, and the Response provided by the contracting Respondent, including any and all supplemental Responses as requested by the Board.

A copy of the contract, which details the responsibilities of the contracting Respondent(s), is provided as Appendix A. The Board reserves the right to modify this contract pursuant to the negotiations addressed herein.

If the language between this solicitation and the contract conflict with the terms of State of Florida General Contract Conditions ([PUR 1000](#)) or State of Florida General Instructions to Respondents ([PUR 1001](#)), incorporated herein by reference, this solicitation and the contract shall control.

Failure to meet any contractual obligations may result in cancellation of any award.

4. RESPONSE

4.01 MANDATORY REQUIREMENTS

The Board has established certain mandatory requirements that must be included in a Response. The use of "shall", "must", or "will" (except to indicate simple futurity) indicates a mandatory requirement or condition. The words "should" or "may" indicate desirable attributes or conditions, but are permissive in nature. Deviation from, or omission of, such a desirable attribute will not by itself cause rejection of a Response.

Respondents who meet the minimum qualifications and that have satisfied the mandatory requirements will be considered; any Respondent who does not will be rejected.

4.02 RESPONSE FORMAT AND CONTENT

Respondents must provide the following information in the Written Response Packet which is included as Appendix B. Failure to comply with the instructions herein is sufficient cause to reject a Response.

The Written Response Packet includes the following forms:

Tab 1 – Invitation to Negotiate Acknowledgement

The Invitation to Negotiate Acknowledgment must be completed and signed by an officer or agent of the Respondent who is empowered to bind the Respondent in a contract. An executed acknowledgement, with the requested materials that follow, constitute an offer from the Respondent to provide the services detailed in this solicitation under the contractual terms provided herein.

Tab 2 – Minimum Qualifications

The Minimum Qualifications form represents a written attestation that the Respondent meets the minimum qualifications set forth in this solicitation.

Tab 3 – Organizational Experience

The Organizational Experience form collects information about the Respondent, the assigned team, and the relevant experience thereof.

Tab 4 – Reporting

The Reporting form collects information about the Respondents interfacing with the custodian and reporting capabilities.

Tab 5 – Consulting Services

The Consulting Services form collects information about the consulting services the vendor provides.

Tab 6 – Investment Manager Search Services

The Investment Manager Search Services tab collects information about the manager search services available.

TAB 7 – Pricing Schedule

The Pricing Schedule represents the price offered for the services set forth in this solicitation. The Respondent, if awarded the contract, will receive compensation under the contract resulting from this procurement based upon the agreed upon price contained in the Pricing Schedule.

The forms provided herein are made available in Microsoft Word on the Board's website for ease of completion. Responders must use the provided forms. Additional information may be added as appendixes to support the forms. However, primary consideration will be given to the information provided in the forms.

Please visit: myfloridaprepaid.com/who-we-are/about-the-board/board-reports-and-plans/.

4.03 DELIVERY

Responses must be complete on the date delivered. Additional information submitted after the Response, or separate from the Response, will not be considered unless specifically requested by the Board and only to the extent requested.

The Respondent is responsible for the timely and proper delivery. Responses that, for any reason, are not delivered timely will be retained by the Board but will not be considered.

Delivery to the Board

Each response shall be prepared simply and economically providing a straightforward and concise delineation of the Respondent's capabilities to satisfy the requirements of this procurement.

Each Respondent shall deliver the following:

1. One complete electronic copy of the Response shall be submitted to ITNinfo.Prepaid@MyFloridaPrepaid.com.

4.04 CONFLICTS OF INTEREST

Any award hereunder will be subject to the provisions of Chapter 112, Florida Statutes. Respondents must disclose with their Response the name of any officer, director, or agent who is also an employee of the State of Florida, the Board, or any agency of the State of Florida. Respondents must disclose the name of any state employee who owns, directly or indirectly, interest of five percent or more in the Respondent. Respondents must disclose all investment products, annuities, mutual funds or other similar type savings plans that are marketed or sold by the Respondent, its proposed subcontractors or any Related Entity of the Respondent or any subcontractor, for other states as a part of a prepaid college fund or a college savings fund or for any Qualified Tuition Program.

4.05 RESPONSE TENURE

All Responses are valid for one hundred eighty (180) days from the due date. The period of time during which responses are valid will be tolled during the pendency of any proceeding related to any contract awarded pursuant to this procurement.

5. ITN PROCESS

5.01 OVERVIEW

This is a multi-phase competitive procurement process, pursuant to Section 287.057, Florida Statutes, whereby all Respondents shall receive fair and equal treatment. Respondents will not be eliminated from consideration until the posting of the Notice of Intended Award.

5.02 REQUESTS FOR CLARIFICATION

Prior to the request for clarification deadline, the Board will accept requests for clarification from prospective Respondents. Questions concerning the conditions and/or specifications of this procurement must be addressed

in writing, using the Request for Clarification Form provided in Appendix C. Written requests for clarification delivered to the ITN Administrator in a proper and timely manner will receive a written answer communicated publically via VBS.

Requests for clarification and answers thereto shall be considered an addendum to, and an integral part of, this solicitation document.

5.03 MANDATORY REQUIREMENTS ASSESSMENT

Upon timely and proper receipt, each Response will be reviewed to determine whether the Respondent meets the minimum qualifications and satisfies mandatory requirements set forth in this solicitation. The Board reserves the right to determine which Responses meet the minimum criteria and the right to accept Responses that deviate in a minor or technical fashion.

This assessment is binary (pass/fail); there are no points awarded for meeting the minimum qualifications or satisfying the mandatory requirements. Respondents that do not meet the minimum qualifications or satisfy the mandatory requirements will be removed from consideration.

5.04 EVALUATION PHASE

Each Response for which the Respondent meets the minimum qualifications and satisfies the mandatory requirements will be evaluated, independently, by members of an Evaluation Team appointed by the Board.

Response Evaluation

The Evaluation Team will award points for each Response in the following areas:

Component	Maximum Points Awarded
Written Response: Organizational Experience (Tab 3)	20
Written Response: Reporting (Tab 4)	10
Written Response: Consulting Services (Tab 5)	40
Written Response: Investment Manager Search Services (Tab 6)	10
Written Response: Pricing Schedule (Tab 7)	20
Total	100

Pricing Schedule Evaluation

Each Pricing Schedule Response will be evaluated relative to the lowest responsive price offered based on the annual fee. Points will be awarded using the following formula:

$(X/N) \times P = Z$; where:

X = Lowest Responsive Pricing Schedule;

N = Proposed Pricing Schedule;

P = Maximum Points Available

Z = Awarded Points

The calculated points awarded will be rounded to the nearest whole number. Decimal values less than 0.50 will be rounded down to the next whole number; decimal values greater than, or equal to, 0.50 will be rounded up to the next whole number. The minimum possible calculated points awarded will be 0.

Ranking of Respondents and Selection of the Shortlist for Negotiation

After the Evaluation Team has evaluated each Response independently, the individual scores will be aggregated to determine the total score for each Response. The Respondents will be ranked based on the total score for their Response and the Board will select the highest-ranked Respondents, within a competitive range, for negotiation (Shortlist).

The Board intends to select up to three (3) Respondents to the Shortlist. However, the Board reserves the right, after posting notice thereof, to expand the shortlist to include additional responsive Respondents for negotiation. The Board will provide individual notice to each Shortlist Respondent.

5.05 NEGOTIATION PHASE

The Board will appoint a Negotiation Team to conduct negotiations with the Shortlist Respondents. The Board intends to negotiate concurrently with the Shortlist Respondents; however, the Board may change the method of negotiation (e.g., concurrent versus by order of ranking) and evaluation criteria if it determines that to do such would be in the best interest of the Board.

When negotiations have been completed, the Board will award a contract to the responsive and responsible Respondent(s) that the Board determines will provide the best value to the Board. The Board will provide public notice of selection via Notice of Intended Award posted on VBS.

6. GENERAL INFORMATION

6.01 LEGAL REQUIREMENTS

Applicable provisions of all federal, state, county, and local laws, will govern development, submittal and evaluation of all Responses received hereto and will govern any and all claims and disputes that may arise between persons submitting a Response and the Board. Lack of knowledge by any Respondent will not constitute a cognizable defense against the legal effect thereof.

6.02 BOARD RIGHTS

The Board, in its sole discretion, may take any of the following actions and may determine the scope and manner of such actions, the Respondent(s) affected, and whether to provide concurrent public notice of such decision:

1. Modify this solicitation, after posting notice thereof.
2. Review and rely on relevant information contained in a Response.
3. Change the members of the Evaluation Team and/or Negotiation Team.
4. Request supplemental Responses from a Respondent.
5. Contact previous clients of a Respondent, as identified by the Respondent, to inquire about the Respondent's ability to deliver on the services offered.
6. Expand the Shortlist, after posting notice thereof, to include additional responsive Respondents.
7. Require any or all Respondent(s) to address services, prices, or conditions offered by any other Respondent.
8. Schedule additional negotiating sessions with any or all Respondent(s).
9. Decline to conduct further negotiations with any Respondent.
10. Reopen negotiations with any Respondent.

11. Require any or all Respondent(s) to provide a best and final offer.
12. Take any administrative steps deemed necessary to determine final award, including additional fact-finding, evaluation, or negotiation where necessary and consistent with the terms of this procurement.
13. Arrive at an agreement with any Respondent, finalize principal contract terms and terminate negotiations with any or all other Respondents, regardless of the status of, or scheduled negotiations with, such other Respondents.
14. The Board reserves the right to accept or reject any and all Responses and to award the contract in the best interests of the State of Florida.

6.03 PUBLIC ACCESS TO RECORDS

Responses to this solicitation shall result in the Respondent waiving any and all rights relating to confidentiality, or claims thereof, upon delivery to the Board. All electronic and written communications pertaining to this procurement, whether sent from or received by the Board, and all Responses including, without limitation, administrative information, proposed services/commodities, and price will be subject to disclosure after contract award as required under Chapter 119, Florida Statutes.

Negotiations between the Board and Respondent are exempted from being held as public meetings by Section 286.0113(2)(a), Florida Statutes. In addition, strategy meetings held by Negotiation Team are also exempted by Section 286.0113(2)(a), Florida Statutes.

6.04 PROPERTY OF BOARD

All Responses become the property of the Board upon receipt and will not be returned to the Respondent. The Board has the right to use any and all ideas or adaptations of ideas contained in any Response received in for this solicitation. Selection or rejection of the Response will not affect this right. All Responses become public documents upon submission. All materials and data produced for the Board under the contract resulting from this solicitation will be owned by the Board unless otherwise agreed to in writing by the Board.

6.05 COST OF DEVELOPING AND SUBMITTING RESPONSES

Neither the Board nor the State of Florida is liable for any of the costs incurred by the Respondent in preparing and/or submitting a Response.