THE CITY OF ROCKFORD ILLINOIS, USA

Carrie Eklund
Central Services Manager
Finance Department

REQUEST FOR PROPOSALS
INVESTMENT BROKERAGE SERVICES
RFP NO.: 1212-FIN-170

12/18/12

Name of Proposing Firm: _____

Address _____ City: _____ State: ____ Zip: _____

Phone: _____ Fax: _____

E-Mail: _____

RFP Opening Time and Date 11:00 a.m., Local Time, Thursday, January 10, 2013

Proposals will be accepted until the specified opening time and date. Any bidder attempting to deliver after the opening time and date will be refused.

Bid Deposit/Bid Bond:	NO
Prevailing Wage	NO
Performance Bond:	NO

PLEASE MARK THE RETURN SEALED ENVELOPE:

1. RFP Opening Date and Time
2. Title of Job
3. RFP Number

RETURN PROPOSALS TO:

City of Rockford
Central Services Manager
425 East State Street, 4th Floor
Rockford, Illinois 61104
Telephone: (815) 987-5560

PROPOSALS SUBMITTED BY FASCSIMILE OR E-MAIL WILL NOT BE ACCEPTED

PROPOSAL RESULTS:

Bid results may be obtained by telephone at (815) 987-5560, by fax at (800) 380-7174. or at www.rockfordil.gov

CITY OF ROCKFORD, ILLINOIS—BIDDING GENERAL CONDITIONS

1. Pricing. The bidder shall insert price for all bid items and all other information requested in these specifications. The price shall be the *full, delivered cost* to the City of Rockford with no additions.

2. Total versus "Per Item" Awards. The City generally awards contracts based on a lump sum basis to the lowest responsible and responsive bidder. However, the City may choose to award on a per item basis. Therefore, each bidder must submit pricing for each item indicated on the bid forms. Bidders must clearly indicate which items are bid and which are not.

3. Delivery of Merchandise. Delivery terms will always be Freight On Board (FOB)–Destination. The City of Rockford accepts no responsibility for the condition of any merchandise purchased prior to acceptance by City Personnel. Failure to comply with this requirement may constitute rejection of the bid.

4. Acceptance of Merchandise at Delivery. The City of Rockford reserves the right to refuse acceptance of delivered merchandise that differs substantially from the specifications in this invitation to bid or as otherwise permitted by Illinois law.

5. Prompt Payment Act. The City of Rockford intends to comply with the governmental prompt payment act. The awarded vendor will be paid upon submission of invoices to: City of Rockford Accounts Payable, 425 East State Street, Rockford, IL 61104.

6. W-9 Request for Taxpayer Identification Number. Prior to issuance of a purchase order, the successful bidder will be required to supply the City of Rockford with a federal W-9 Request for Taxpayer Identification Number and Certification. Failure to comply with this requirement will be considered a violation of contract terms, for which the City may bar the vendor from bidding for a period of up to three years.

7. Legal Compliance. The vendor awarded this contract will comply with all Federal, State, County, and City laws, ordinances, rules and regulations, which in any manner affect the product or service placed for bid herein. Lack of knowledge on the part of the awarded vendor of applicable law will in no way be cause for release of this obligation. If the City becomes aware of violation of any laws, ordinances, rules and regulations on the part of the awarded vendor, it reserves the right to reject any bid, cancel any contract, and pursue any other legal remedies deemed necessary.

8. Legal Requirements. This contract sets forth the entire final agreement between the City of Rockford and the bidder and shall govern the respective duties and obligations of the parties. The validity of this contract, and any disputes arising from the contract, shall be governed by the laws of the State of Illinois. Any litigation under this agreement shall be resolved in the trial courts of Winnebago County, State of Illinois. Should a provision of this contract be declared invalid by a court of competent jurisdiction, it shall not affect the validity of the remaining provisions of the contract.

9. Safety. Prevention of accidents at any project is the sole responsibility of the awarded vendor and its subcontractors, agents, and employees. The awarded vendor, its subcontractors, agents, and employees shall be fully and solely responsible for the safety of this project. The awarded vendor shall retain exclusive and direct control over the acts or omissions of its subcontractors, agents and employees, and any other persons performing portions of the work and not directly employed by the awarded vendor.

10. Criminal Background Check. When necessary for the protection of citizens and/or City staff, the City may require an awarded vendor to conduct a criminal background check on all of its personnel who will have direct contact with City facilities or residents/businesses served under this contract. Personnel are defined as representatives, agents, employees, subcontractors, or anyone else who will be utilized to fulfill obligations under this contract. Criminal background checks, at a minimum, shall consist of a county level felony and misdemeanor check for each county in which the personnel resided in the last 10 years. The awarded vendor shall notify the City of any of its personnel who have been convicted of a felony or misdemeanor prior to commencing any work under this contract. At the City's discretion, personnel with any felony or misdemeanor convictions which raise a concern about the safety of building, property, or City staff/resident's personal security, or is otherwise job related (as determined by the City) shall not perform work under this contract. Once given notice that a background check(s) will be required, it must be completed within 14 calendar days so as to not delay work to be completed.

11. Control of the Work. With respect to the awarded vendor's own work, the City shall not have contractual, operational, and/or supervisory control over and/or charge of the work and shall not be responsible for construction means, methods, techniques, sequences, procedures, and programs in connection with the awarded vendor's work, since these are solely the vendor's responsibility under the agreement. The City shall not be responsible for the awarded vendor's failure to carry out the work in accordance with the agreement's terms and conditions. The City shall not have control over and/or charge of acts or omissions of the awarded vendor, its subcontractors, and/or their agents or employees, or any other person performing portions of the work not directly employed by the awarded vendor. The awarded vendor shall be considered to be an "independent contractor" pursuant to Illinois law.

12. Bid Bond. When required on the cover sheet, a bid bond for not less than 5 percent of the bid amount must accompany all bids as a guarantee that if the bid is accepted, the bidder will execute and file the proper contract. A bank cashier's check, bank draft, or certified check equal to the amount specified is acceptable in lieu of a bid bond. Bid bonds of the two lowest firms will be retained until the contract is awarded.

13. Performance Bond. When required by the specifications herein, the awarded vendor shall furnish a performance bond equal to the amount of the contract, acceptable to the City, within 14 calendar days after notification of contract award. Failure to furnish the required bond within the time specified may be cause for rejection of the bid and any bid deposit may be retained by the City as liquidated damages and not as a penalty.

14. Taxes. No charge will be allowed for taxes from which the City of Rockford, Illinois is exempt. The City of Rockford, Illinois is not liable for the Illinois Retailers' Occupation Tax, the Service Occupation Tax or the Service Use Tax. The City is exempt from the Federal Excise and Transportation Tax.

15. Withdrawal of Bids. Firms may withdraw or cancel their bids at any time prior to the advertised invitation to bid opening. After the opening time, no bid shall be withdrawn or cancelled. All bids shall be firm and valid for a period of sixty (60) calendar days. If a bidder to whom a contract is awarded refuses to accept the award, the City may, at its discretion, suspend the bidder for a period of time up to three (3) years.

16. Subcontracting. The bidder shall provide information for all subcontractors, leased operators/equipment, and suppliers and all other information requested in the Subcontractor and Supplier Detail Forms attached. Requests for deviations from the completed detail forms submitted must be made in writing, and reviewed and approved by the City's Diversity Procurement Officer and the Central Services Manager or designee. The awarded vendor may not subcontract any portion of the contract after award without written consent of the City of Rockford

Central Services Manager. When subcontractors are used, the awarded vendor is required to pay subcontractors promptly after completion of work. Delay of payment is prohibited.

17. Termination of Contract. The City of Rockford reserves the right to terminate the contract in its entirety or in portions, upon written notice to the awarded vendor, if the Rockford City Council does not appropriate sufficient funds to complete the contract or in the event of default by the awarded vendor. Default is defined as failure of the awarded vendor to perform any of the provisions of this contract or failure to make sufficient progress so as to endanger performance of this contract in accordance with its terms. In the event of default, the City may purchase the product(s) and/or service(s) from other sources and hold the defaulting company responsible for any excess costs occasioned thereby. The City may require payment of liquidated damages for non-performance. Should default be due to failure to perform or because of a request for a price increase, the City reserves the right to remove the firm from the City's bidder list for a period of up to three years.

18. Late Bids and Proposals. Regardless of cause, late bids and proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the vendor's risk to ensure delivery at the designated office by the designated time. Late bids and proposals will not be opened and may be returned to the awarded vendor at their request and expense.

19. EEO Forms. Each firm shall be required to submit with its bid information all EEO forms included in the invitation to bid package. Any bid which fails to include the properly completed compliance items will not be read and will not be considered. All subcontractors shall also be required to comply with the same EEO forms as the firm.

20. Restrictive or Ambiguous Specifications. It is the responsibility of the bidding firm to review the invitation to bid specifications and to notify the Central Services Manager if the specifications are formulated in a manner that would unnecessarily restrict competition. Any such protest or question regarding the specifications or invitation to bid procedures must be received by the Central Services Division not less than seventy-two hours prior to the time set for the opening. In the event a contract term is not defined within the contract document, the term will be given its ordinary dictionary definition.

21. Bid Protest. Firms wishing to protest bids or awards shall notify the Central Services Manager in writing within 7 days after the invitation to bid opening. The notification should include the bid number, the name of the firm protesting, and the reason why the firm is protesting the bid. The Central Services Manager will respond to the protest within seven (7) calendar days. A successful protest may result in the reversal of a previously awarded contract.

22. Disputes. In case of disputes as to whether or not an item or service quoted or delivered meets specifications, the decision of the Central Services Manager, or authorized representative shall be final and binding to all parties. The Central Services Manager has the right to waive technicalities as they see fit. The Central Services Manager may request a written recommendation from the head of the department using the equipment or service being procured.

23. Exceptions. Any deviations from these specifications shall be noted and submitted with the bid. Failure to address deviations from specifications may result in bid rejection.

24. Acceptance/Rejection of Bids. The City of Rockford reserves the right to accept or reject any or all bids or proposals at any time, for any reason, including but not limited to the Rockford City Council not appropriating

sufficient funds to purchase equipment or complete the contract. The City may make awards in any manner deemed in the best interest of the City.

25. Prevailing Wage. When indicated on the cover page of this document, this contract calls for the construction of a "public work," within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/.01 *et seq.* ("the Act"). The Act requires awarded vendors and subcontractors to pay laborers, workers, and mechanics performing services on public works projects no less than the "prevailing rate of wages" (hourly cash wages plus fringe benefits) in the county where the work is performed. When required, awarded vendors are responsible for paying current prevailing wage rates, as posted on the Illinois Department of Labor's website at: http://www.state.il.us/agency/idol/rates/rates.HTM. It is the awarded vendor's responsibility to verify current wage rates, as they are updated monthly. All awarded vendors and subcontractors rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage, notice, and record keeping duties.

26. Certified Payroll. All Certified Payroll reports required to be submitted under the Prevailing Wage Act, 820 ILCS 130, must be submitted monthly via email, in Excel or some format compatible with Excel, to certified.payroll@rockfordil.gov.

27. Substance Abuse Prevention. When required by Illinois State Statutes, awarded vendors must have in place and file with the City a written program for prevention of substance abuse among its employees. This program must include pre-hire, random, reasonable suspicion, and post-accident drug and alcohol testing, as required by the Substance Abuse Prevention on Public Works Projects Act.

28. Apprenticeship Requirement. For construction contracts over $50,000, awarded vendors must participate in apprenticeship and training programs approved and registered with the United States Department of Labor's Bureau of Apprenticeship and Training for all Trades that will be in the awarded vendor's (or his subcontractor's) employment, with each worker receiving the required apprenticeship/training appropriate to his trade. Owners or work performed by owners is not exempt from the apprenticeship and training requirement.

29. Indemnification. To the fullest extent permitted by law, the awarded vendor shall indemnify and hold harmless the City, its officers, representatives, elected and appointed officials, agents, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the awarded vendor's performance of work under this agreement, and indemnifies and agrees to defend and hold harmless the City against any and all losses, claims, damages, and expenses arising from the work performed hereunder of the erection, construction, placement, or operation of any scaffold, hoist, crane, stay, ladder, support, or other mechanical contrivance in connection with such work including but not limited to losses, claims, damages, and expenses arising pursuant to claims asserted against the City pursuant to theories premised upon section 414 of the Restatement (Second) of Torts and section 343 of the Restatement (Second) of Torts.

This indemnification agreement shall not be limited in any way by any limitations on the amount or type of damages, compensation, or benefits payable by or for the awarded vendor under Worker's Compensation Acts, disability benefit acts, or other employee benefit acts, and serves as an express agreement to waive the protection of Kotecki v. Cyclops Welding Corp., 146 Ill.2d 155, 585 N.E.2d 1023 (1991) in Illinois.

Further, the awarded vendor agrees that it is solely responsible for compliance with all safety laws applicable to the work performed hereunder, including but not limited to the Occupational Safety and Health Act of 1970 and the Construction Safety Act of 1960 and all standards and regulations which have been or shall be promulgated by the agencies which administer the Acts.

Under no circumstances shall the awarded vendor, its subcontractors, agents, and employees be required to indemnify the City for its own negligence.

30. Officers. Each bidder affirms, by submission of a response to this bid or request for proposals, that no officer of the City of Rockford, Illinois, is directly or indirectly interested in the proposal for any reason of personal gain.

31. Non-Waiver. The failure by the City to require performance of any provision shall not affect the City's right to require performance at any time thereafter, nor shall a waiver of any breach or default of this contract constitute a waiver of any subsequent breach or default or a waiver of the provision itself.

32. Professional Services Selection Act. The City of Rockford intends to comply with 50 ILCS 510/5 governing the selection of professional services. Any reference in these terms and conditions to supplying pricing or price as a determining factor in selection do not apply for services covered by said act.

33. The City of Rockford reserves the right to accept or reject any and all proposals and to waive technicalities in submitted bids.

BID REQUIREMENTS FOR
EQUAL EMPLOYMENT OPPORTUNITY

All bidders seeking to do business with the City of Rockford are **REQUIRED** to submit with any formal, sealed bid all of the following documents and information, attached herewith, completed and signed:

1. Equal Employment Opportunity Affirmative Action Plan Statement of Policy.

2. The Statement of Non-Compliance and Certificate of Non-Segregated Facilities.

3. The Contractor or Vendor Workforce Data Form listing all current employees, by classification, directly employed by the bidder. All categories of information requested must be supplied.
   Note: The number of employees must be entered under each category (no check marks)

   Below are the Federal definitions of the following racial groups accepted as minorities by the City of Rockford:
   Black: A person having origins in any of the Black racial groups of Africa, not of Hispanic origin.
   Hispanic: A person of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands, regardless of race.
   Asian: A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes for example, China, Japan, Korea, the Philippine Republic and Samoa.
   American Indian or Alaskan Native: A person having origins in any of the original peoples of North America.

4. Your State of Illinois Pre-Qualification Certification Number, issued by the Illinois Department of Human Rights for the Illinois Department of Human Rights Act, must provide expiration date entered in the place provided therefore.

5. Certificate of Non-Barred Bidding

6. All executed Subcontractor/Leased Operator and Supplier forms.

If you have not obtained your State of Illinois Pre-Qualification Number (item #4), by signing these documents you agree to make application for this number within 30 days from the date of bid opening.

ANY BID WHICH FAILS TO INCLUDE THE CITY OF ROCKFORD EEO PAGES 2, 4, AND 5, COMPLETED AND SIGNED WITH YOUR SEALED BID WILL NOT BE READ AND WILL NOT BE CONSIDERED – NO EXCEPTIONS.

Falsification of any required Equal Employment Opportunity or Affirmative Action information on the part of the bidder could result in rejection of the bid submitted or in the case where a contract has already been awarded, in the cancellation of said contract.

Any questions pertaining to E.E.O. requirements should be addressed to Ron Moore, Diversity Procurement Officer, Legal Department, 425 East State Street, Rockford, Illinois 61104, Phone: (815) 987-5622 or ron.moore@rockfordil.gov

EQUAL EMPLOYMENT OPPORTUNITY
AFFIRMATIVE ACTION PLAN
STATEMENT OF POLICY

It is the policy of this company, _____
to provide equal employment opportunity without regard to race, religion, color, national origin, handicap, age or sex through a program of positive action affecting all employees. In this program, our company carries out the requirements of Federal Executive orders 11246 and 11375, Civil Rights Act of 1964, Equal Employment Act of 1972, and all other applicable laws, and indicates its active support of the principle of equal opportunity in employment.

At present, _____ % of our work force are minorities and _____ % of our work force are females, and we will attempt to utilize minorities and females through a positive, continuing program in all jobs for which we contract in the future. Our company will utilize referrals from the City of Rockford's Diversity Procurement Officer for use of minorities and females regarding any future job vacancies.

It is also our intent to make efforts to purchase supplies or equipment from small business concerns located in the City of Rockford or counties of Winnebago or Boone and owned in substantial part (at least 51 per cent) by minorities or females.

_____ is the official who will be responsible for implementing this policy statement.

_____ will be designated as the Equal Opportunity Officer in our company, responsible for submission of all required equal employment opportunity documents.

In addition, _____ is hereby authorized to sign payroll as well as this company's officers. (NOTE: If only officers will be authorized to sign payrolls, please fill in "No One" in this space.)

STATEMENT OF NONCOMPLIANCE

If the equal employment opportunity hearing committee determines that a contractor, subcontractor/leased operator of equipment or bidder is not in compliance with this chapter, (also known as Chapter 11, Article III the City of Rockford Equal Opportunity Employment Ordinance), the hearing committee shall issue and serve upon such person a written statement of noncompliance setting forth the manner in which it finds such person has violated this chapter, and imposing and/or requiring appropriate sanctions, including, but not limited to any and/or all of the following:

a. Denying, suspending or revoking qualifications, or declaring the contractor or subcontractor irresponsible and ineligible for future contracts or subcontracts until such time as the contractor or subcontractor shall demonstrate to the equal employment opportunity hearing committee that it is in compliance;

b. Withholding or delaying payment on the contractor or;

c. Suspending, avoiding or canceling contract work.

CERTIFICATION OF NON-SEGREGATED FACILITIES

The bidder certifies that he/she does not maintain or provide for his/her employees any segregated facilities at any of his/her establishments, and that he/she does not permit his/her employees to perform their services at any location, under his/her control, where segregated facilities are maintained. The bidder agrees that a breach of this certification will be a violation of the Equal Opportunity clause in any contract resulting from acceptance of this bid.

The bidder agrees that (except where he/she has obtained identical certification from proposed subcontractors/leased operators of equipment for specific time periods) he/she will obtain identical certification from proposed subcontractors/leased operators of equipment from the provisions of the Equal Opportunity clause, and that he/she will retain such certification in his/her files.

CONTRACTOR OR VENDOR WORKFORCE DATA FORM

BIDDERS NAME: _____

NUMBER OF ALL EMPLOYEES MUST BE ENTERED FOR EACH CATEGORY ---
(No Check Marks Or Bid Will Not Be Accepted)

	MALES					FEMALES				
ALL JOB CLASSIFICATIONS	**W**	**B**	**H**	**A**	**I**	**W**	**B**	**H**	**A**	**I**

W - WHITE B - BLACK H – HISPANIC A - ASIAN OR PACIFIC ISLANDER I - AMERICAN INDIAN

ILLINOIS DEPARTMENT OF HUMAN RIGHTS CERTIFICATION

Our Illinois Department of Human Rights Number is: _____

Must Provide Expiration Date: _____

CERTIFICATE OF NON-BARRED BIDDING

The undersigned certifies that it is not barred from bidding on this contract as a result of a conviction for the violation of State laws prohibiting bid rigging or bid rotating. The undersigned also certifies that current or prospective employees, contractors, and subcontractors/leased operators of equipment are not listed as Excluded Individuals/Entities with the US Government, as maintained by the US General Services Administration.

By signing below, the firm agrees that all information provided in the previous pages is accurate, and that if the firm below does not currently have a Department of Human Rights number they will apply for one within thirty days with the State of Illinois.

Authorized Signature

Title

Firm

Our firm is a:

Minority Business Enterprise _____ City-Certified? Yes ____ No ____

Women Business Enterprise _____ City Certified? Yes ____ No ____

Neither _____

(Revised 12/21/09)

1.0 Scope of Services to be Provided

The City of Rockford requests proposals from qualified firms to provide brokerage services to the City. These services include investing City of Rockford funds in securities that have a high degree of safety and liquidity while offering a reasonable rate of return(examples include U.S. Government and Agency Securities as well as Commercial Paper). The City may choose to select more than one firm to provide these services.

2.0 General Requirements

2.1 Firm Qualifications. No contract shall be awarded except to responsible firms capable of providing the City with services of exceptional quality. Qualified firms will conform to the minimum requirements set out in section 3.4 of this document and may include:

- Primary Dealers who participate in national markets for government securities,
- Secondary Dealers who trade in securities on a regional basis, and
- Brokers who bring security buyers and sellers together to trade and receive a commission.

2.2 Proof of Qualifications. Before being considered for the award of contract, firms shall be required to show evidence of the necessary skill, experience, facilities, and financial resources to perform the work in a satisfactory manner. The City of Rockford shall make the final determination as to the firm's ability to provide the desired services.

2.2 Evaluation of Firms. The City's evaluation team will assess the qualifications of brokerage firms based on their proposals. The City also reserves the right to interview representatives of firms, request documents as needed, and review the quality of similar services provided to other clients in order to determine which firm will be awarded the contract.

2.2.1 Evaluation Team. An evaluation team will be used to assess each proposal. This evaluation team will consist of the following City representatives: the Finance Director, the Revenue Manager, a Pension & Investment Accountant, and a Financial Analyst.

2.2.2 Qualifications. No firm will be considered unless it meets the minimum requirements set out in section 3.4 of this document.

2.2.3 Number of Firms to be Selected. The City will choose more than one firm to provide these services.

2.2.4 Evaluation Criteria. Once the evaluation team has determined that firms meet the minimum qualification standards, five criteria will be used to assess each firm. Each of these criteria will be rated from 1 to 20 by the members of the evaluation team, giving each proposal a total possible score of 100. The criteria include:

- The quality and integrity of the brokerage firm's internal systems and controls.
- The demonstrated skill and experience of the brokerage firm's staff.
- The profitability ratios for the firm over the last five (5) years.
- The quality of services the firm can provide to the City.
- Fees that will be assessed.

2.2.5 Basis of Award. Each member of the evaluation team (see 2.2.1) shall independently evaluate each proposal and any other information that is used to evaluate the firm's ability (see 2.2) to provide quality services to the City. Once these individual evaluations

have been completed, the scores will be averaged and the overall average will be the final score of each proposal. The contract will be awarded to the firm that receives the highest average score.

2.3 Contract Length. The firm that receives the award for Brokerage services shall provide these services for a period of one year from the date service provision begins. The contract shall have three (3) one year options to renew. Renewals are based upon the mutual consent of both parties, such consent being stated in writing sixty (60) days in advance of the renewal of the contract. Thus, the resulting contract can be valid for a total of four (4) years from the date service begins.

2.4 Contract Termination. The City of Rockford reserves the right to terminate its relationship with any brokerage firm at any time provided that adequate notice (60 days written notice) has been presented to the Firm.

2.5 Contacts. The contact for this RFP is Xavier Whitford, Financial Analyst, (815) 967-6938.

3.0 Specific Conditions

3.1 Background Information. Attached to this document are three appendices that provide information about the City's portfolio and the legal constraints that apply to its investing activities. Appendix A is the State of Illinois statute that applies to investing by a municipality, Appendix B is the City of Rockford's investment policy document, and Appendix C is an overview of the current portfolio.

3.2 Services to be Provided. The following services will be provided to the City by the brokerage firm that is awarded the contract.

3.2.1 Market Access. Provide secure bids and trade settlements with the City and its custodian.

3.2.2 Market Analysis. Analyze current market activity as well as economic activity to forecast interest rate trends; provide recommendations to the City based on these analyses.

3.2.3 Market Education. Provide the City with information about securities such as their price, structure, and characteristics. The vendor will also keep the City informed about new types of securities that may be appropriate.

3.2.4 Portfolio Analysis. Provide the City with advice on how to structure its portfolio to meet investment objectives. Provide the City with information necessary to take advantage of market swings by identifying swap opportunities.

3.2.5 Security Analysis. Provide the City with analysis of securities on the market that could enhance the portfolio's return without sacrificing risk or liquidity.

3.2.6 Relative Value Analysis. Assist the City in choosing among the following:

- Different securities.
- Same securities with different rates.
- Maturity sectors.
- Credit quality and liquidity factors.

3.3 Location. The City of Rockford will do business with firms that have offices in the Northern Illinois area. The City will not be precluded from doing business with an individual of an approved firm who is located in another state if the firm has had a working relationship with the City or if the firm has offices within Northern Illinois and wants the City to work with a particular individual.

3.4 Qualification Requirements. The City of Rockford will utilize the services of a vendor who is on the list of primary dealers of the Federal Reserve Bank of New York or has at least $200 million in capitalization. The broker or dealer must comply with the following requirements:

- Provide proof of membership in the Securities Investor Protection Corporation.
- Provide proof of registration with Securities and Exchange Commission.
- Provide proof of membership in a self-regulatory organization such as the National Association of Securities Dealers or the New York Stock Exchange.
- A Capital adequacy ratio of at least 125 of measured risk.
- Consistent profitability ratios over the last five (5) years.
- A letter of certification from the firm stating that it will adhere on a continual basis to the capital adequacy standard.
- Audited financial statements which confirm that the firm was in compliance with the capital adequacy standard and indicating the amount of liquid capital.
- A letter from a Certified Public Accountant stating that no material weaknesses were found in the brokerage firm's internal systems and controls that monitor the capital adequacy standard.
- Trades are completed on a delivery vs. payment basis.

3.5 Trading Services. The brokerage firm must provide an efficient trading process, timely responses to bid requests, and timely trade executions.

4.0 Information to be Submitted

4.1 Description. The proposal should include a one to two page description of the firm that includes background information on the firm, the scope of services the firm provides, and the years of experience providing these services.

4.2 Services to be Provided. Please provide a detailed description of the firm's ability to provide the services detailed in section 3.2.

4.3 Internal Controls. Please provide a detailed description of the internal systems and controls that guarantee the integrity and security of the City's funds.

4.4 Qualification Standards. Please provide all the materials necessary to verify the qualifications that are required in section 3.4.

4.5 Staff Qualifications. Please identify and provide resumes for staff that would be responsible for providing the City with market analyses. Also provide resumes for staff that would provide customer service to the City.

4.6 Previous Clients. Please provide the names of public sector or private sector employers for which the firm has provided similar services within the past 12 to 24 months

4.7 Fees. Please provide a detailed report of fees associated with the proposed services.