

## **California Public Employees' Retirement System Joint Venture Procedures**

A joint venture is an association of two or more persons or companies to carry on a commercial enterprise as co-owners. As applied to the RFP, a joint venture is essentially a partnership between the persons or companies formed for the purpose of submitting a proposal and of performing the contract if a contract is awarded to the joint venture.

It is the policy of the CalPERS Board of Administration to require that full, clear, and precise information be provided about contract Proposers. Therefore, Proposers that wish to be considered for this contract based upon their combined or joint efforts must clearly describe in their proposal whether they are: a) forming a joint venture, b) using a "prime contractor/subcontractors" relationship, or c) using some other vehicle.

If the Proposer is a joint venture, the Proposer must provide:

- a) a complete copy of the written joint venture agreement signed by all joint venture partners;
- b) a full clear description of how the joint venture partners will propose to divide the labor in fulfilling the CalPERS contract; and
- c) a full and clear description of the qualifications and characteristics of each joint venture partner.

Failure to comply with the above requirements may result in the immediate rejection of the proposal.

Joint ventures shall satisfy minimum qualification (MQs) in one of several ways:

- a) The joint venture, if formed as a separate legal entity, may itself fully satisfy all MQs; or
- b) Each member of the joint venture may separately satisfy all MQs; or
- c) Any one member of the joint venture may satisfy all MQs; or
- d) The joint venture partners may "mix and match" their individual experience and qualifications to fully satisfy all MQs.

CalPERS may, in its sole discretion, require that specified services be performed by one of the joint venture partners and not delegated to another.

Scoring criteria shall not reward organizational size or duration unless CalPERS determines, in its sole discretion, that such size or duration has a demonstrable relationship to the quality and cost-effectiveness of services being performed under the contract.

If a contract is awarded, the documentation submitted pursuant to CalPERS Joint Venture Procedures shall be incorporated as part of the Agreement, and the Agreement shall provide that each participating joint venture partner is jointly and severally liable to CalPERS.