

Letter of Engagement

(Rev. 6/01/2022)

Instructions:

Contractor - Review Sections A through G and complete Sections H through K. Also complete the applicable portion of Section M. Your signature on this document commits your firm to the services outlined in this Letter of Engagement (LOE).

LOE Manager – Fill out Sections A through G and the applicable portion of Section M.

Section A through G for CalPERS use only

A. Introduction

The California Public Employees' Retirement System (CalPERS) Technology Infrastructure Services Division (TISD) is engaging in services with **Vendor** to support the Software Defined Access (SDA) and Software Defined Wide Area Network (SD-WAN) projects. The consultant is expected to have in-depth technical knowledge of these technologies along with associated technologies Cisco Identity Services Engine, Cisco DNAC, and Cisco FTDs. The consultant must have strong background in supporting and implementing complex and dynamic network environments like that of CalPERS. The consultant will be heavily involved in the design, development, deployment, maintenance, and operations of these technologies. The consultant will be helping CalPERS with the ongoing maintenance and operations of these technologies as they are deployed to each environment.

B. Bidding Instructions

Please submit your solicitation package to: ITSB_Spring_Fed_Pool@calpers.ca.gov by July 25, 2023, at 5:00 PM. Responses must be received by CalPERS by the due date and time to be accepted.

Your submission should include the following:

- Vendor Solicitation Response Form
- Attachment A, Fee Schedule
 - CalPERS is requiring, one (1) Attachment A - Fee Schedule per candidate bidding.
- CalPERS Contract-Related Disclosure Form
- Consultant Resume(s)
- Submit only your most qualified candidate(s). (MAXIMUM 2 CANDIDATE(S) / PER VENDOR)

Spring-Fed Pool Name: Information Technology Consultants Spring-Fed Pool RFP No. 2019-8610

Service Vertical: 7.0 IT Infrastructure & Personal Productivity Services

Project Role: Sr. Tech Specialist

Consultant(s) needed for the Letter of Engagement: One (1) consultant

C. Project Scope/Deliverable Base Tasks

The scope of this project encompasses the following deliverable base tasks:

Deliverable 1: Support the ongoing rollout of SDA to CalPERS HQ and Remote Offices

- Assist with SDA configuration and deployment to CalPERS Lincoln Plaza North, East, and 7 regional office locations
- On an ongoing basis, assist with maintenance and operations of CalPERS environments as they are deployed

Deliverable 2: Support the ongoing maintenance and operations as SDA is deployed

- Update and enhance solutions as the needs are identified
- Contract manager will approve all solutions before being released to production
- Document the design approved by CalPERS and obtain approval from the contract manager for the design.

Deliverable 3: Architect/Design/Deploy SD-WAN solution for CalPERS

- In conjunction with CalPERS Telecommunications Engineers, provide one or more designs for a CalPERS SD-WAN solution
- Document the design approved by CalPERS and obtain approval from the contract manager for the design.
- On an ongoing basis and through the end of the contract, provide training on the support of maintenance and operations on the SD-WAN solution.

Deliverable 4: Knowledge Transfer

- On an ongoing basis through the end of the contract all work products and deliverables (project status reports, business process, triage incident reports with resolution, meeting minutes, test cases, test outcomes) details have to be discussed with the contract manager to ensure that all of the information is documented and placed in a file share.
- The contract manager will schedule knowledge transfer sessions at regular intervals to ensure that all of the work production details have been documented and the knowledge has been transferred to the state personnel.

Minimum Qualifications

Refer to Attachment B, Evaluation Criteria for Best Value Award, for the minimum qualifications required for this engagement. Candidates are evaluated based on the information presented on the resume and or interviews. Ensuring that the previous work experience matches up with the Evaluation Criteria qualifications being sought is the best practice in being successful in the solicitation.

Evaluation Criteria

This Letter of Engagement will be awarded based Attachment A, Fee Schedule and criteria set forth in Attachment B, Evaluation Criteria for Best Value Award. The minimum qualifications will be based on resume(s) for Key Personnel.

D. Project Effective Dates

September 1, 2023, or upon Purchase Order execution, whichever date is later, through August 31, 2024.

Work cannot begin before both parties (CalPERS Project Manager and the Contractor) have signed the Letter of Engagement and a Purchase Order has been fully executed and delivered to the Contractor.

E. Risk Assessment

Contractor's liability for damages to CalPERS for any cause whatsoever and regardless of the form of action, whether in contract or in tort, shall be limited to two times the total LOE Amount including any change orders for the applicable LOE. CalPERS reserves the right, in its sole discretion, to raise the limitation of liability based upon the nature of the services or goods sought through the LOE. CalPERS will state the increase in the limitation of liability in the LOE that is provided to the Contractor in the prequalified pool of firms. Should Contractor respond to the LOE and ultimately be selected by CalPERS to perform the LOE with an increased limitation of liability, the Contractor hereby agrees to be bound by the limitation of liability set forth in the LOE or as negotiated by the parties. Any change to the limitation of liability must be in writing, signed by both parties, and will be deemed to be incorporated in this Agreement.

F. Compliance

Consultant affirms that this engagement does not constitute an employer/employee relationship between CalPERS and the Consultant(s) or their firm.

Contract Related Disclosure: Yes

Knowledge Transfer: Yes

Information Security Review

Business Continuity Plan language required: No

Standard protection of information assets language required: No

ISSCA Form: Yes

SEIA Form: No

NDA Form: No

Information Security Addendum (ISA): No

Security Awareness Training Language: Yes

ECOM Contracting Review Sheet – Form 700 Filer: No
ACA Worksheet: Worksheet A

Disabled Veterans Business Enterprise (DVBE): Required

If there are changes to the DVBE subcontractor an updated Disabled Veteran Business Enterprise Contract Participation form must be submitted to SB_DVBEadvocate@CalPERS.CA.GOV.

Procurement Method: Competitive Bid

G. Assumptions

Assumptions agreed to by CalPERS and the Contractor relative to the work being performed during the engagement:

1. Contractor may be asked to work onsite at the CalPERS Lincoln Plaza campus, to align with staff's hybrid working model. Some work can be performed offsite.
2. Knowledge Transfer r (required or completed exemption from knowledge transfer form).
3. Contractor will not pay any additional out-of-pocket expense (such as travel and per diem).
4. CalPERS, in its sole discretion and for any reason or no reason, may terminate this engagement at any time upon written notice to Contractor. In the event CalPERS terminates this engagement, CalPERS will within a reasonable time thereafter pay Contractor for the reasonable value of satisfactory services performed in accordance with this engagement prior to the termination at the rates specified in this engagement, but not more than the Amount of Agreement.

Equipment and Physical Asset Access

Consultants are expected and required to utilize their own equipment, tools, supplies, and vehicles. CalPERS will not assign or provide the Consultant with equipment, tools, supplies, or vehicles, unless the engagement requires the Consultant to perform work on those items or unless using CalPERS' items, instead of the Consultant's items, is necessary and integral to complete the engagement. Equipment includes, but is not limited to laptops, desktops, computing devices, printers, phones, and copiers.

Subcontractors

No portion of the work pertinent to this Agreement shall be subcontracted without written authorization by CalPERS. The subcontractor must be mutually agreed upon in advance by both parties.

Amendment

This Letter of Engagement may be amended in writing by mutual consent of the parties, in accordance with CalPERS policies.

Termination

This Letter of Engagement may be terminated in accordance with the provisions set forth in the Contractor's Standard Agreement Number referenced above.

Information Security Form

Key Personnel must individually sign the CalPERS Information Systems Security and Confidentiality Acknowledgement for this Letter of Engagement before work can begin.

Security Awareness Training Requirements

Information Security Office (ISOF) requires all contractors and consultants granted access to CalPERS assets to provide certified completion of security awareness training before work begins and to re-certify training annually thereafter.

Consultant security awareness training will not be provided by CalPERS. Each contractor will be responsible for obtaining and completing the training through their employer before the commencement of work.

For contracting firms, the following topics must be addressed, at a minimum:

- Threats: Malware, phishing & social engineering
- Password Policies: Best practices; 2FA and how to use it
- Web Protection: What to look for; what to avoid
- Email Protection: What to look for; what to avoid
- Preventative Measures: Best practices for security at home and business
- Privacy: Best practices to protect confidential, sensitive, proprietary information.

Evidence of completion, with above topics covered, must be sent to back to CalPERS to validate that the training meets industry standards outlined in the covered topics above.

Section H through K for Contractor use only

H. Contract Number

XXXX - XXXX

I. Project Cost Information

Fees must not exceed the rates listed in the signed contract agreement and must include all deliverables, staff time, materials, travel, travel time, incidentals and per diem fees.

Please fill out attached Attachment A: Fee Schedule.

J. Key Personnel

Name	Position/Title	Email	Phone

Please attach resumes of your proposed Key Personnel.

K. DVBE Information (if applicable)

Indicate how DVBE participation will be met for this Letter of Engagement

DVBE Vendor Name:

Certification ID:

Percentage (minimum of 3%):

- ☐ On-Site consulting services
- ☐ Off-Site consulting services
- ☐ Goods/Services associated with this LOE
- ☐ Micro Business exemption
- ☐ Other (please describe):

Description/summary of the services to be provided. Can be numerical or bulleted list.

Estimated DVBE total (details must be shown on invoices): \$

Contractors must use the DVBE companies listed in their RFP proposal and must meet the DVBE percentage indicated in their RFP proposal for each Letter of Engagement.

Submit the CalPERS form DVBE Participation Expenditure Report (CalPERS-OSS-27) with every invoice. Failure to do so will result in a delay of payment of your invoice.

L. Invoicing

All invoices must be itemized and include the CalPERS Purchase Order. Invoices for Consulting Fees must include Key Personnel Name, Description of Deliverable Services Performed, and Total Fee. If participating in DVBE, the DVBE Participation Expenditure Report (CalPERS-OSS-27) must be submitted with every invoice to avoid delays in the payment of the invoice.

Mail all invoices with reference to the correct CalPERS Purchase Order number to the address below:

CalPERS

FSA Accounting

P.O. Box 942703

Sacramento, CA 94229-2703

FCSD_AP_invoice@calpers.ca.gov



M. Project Point of Contact

The points of contact identified below are responsible for the successful delivery of the scope of work performed under this Letter of Engagement.

CalPERS: IT Manager I
Technology Infrastructure Services Division (TISD)
400 Q Street, Sacramento, CA 95811
(916) 795-XXXX

Contractor: Contact: Name and Title
Company Name
Company Address
(XXX) XXX-XXXX

N. Restrictions on Altering Contract Terms and Conditions through the Letter of Engagement

Letters of Engagement may not be used to amend or supplement the underlying Std. 213 agreement (also known as the consultant contract) except for the Rights to Work Product, Intellectual Property, Limitation of Liability and Indemnification, which are based upon the nature of the services sought through the LOE and Risk Assessment. Changes to any of these provisions apply only to this LOE and must be agreed upon and signed by both parties. Any attempt to add to, eliminate, or amend CalPERS' standard terms and conditions may result in disqualification from participation in the engagement bidding process.

O. Acceptance of Letter of Engagement

CalPERS

Approved by (to be completed by the Delegated Authority of the LOE Manager):

Print Name & Title

Date

Signature

Contractor

Approved by (to be completed by authorized approver):

Company Name

Date

Print Name & Title

Signature

Fee Schedule

PROJECT PAYMENT STRUCTURE

The payment structure for activities performed per this Letter of Engagement is Deliverables-Based. Deliverables are presented in Section C, Project Scope/Deliverable Base Tasks, of this document.

PROJECT COST INFORMATION

■ Deliverables-Based

Project Deliverables

Fixed deliverables are identified below and a cost and date of completion for each deliverable must be included.

Deliverable Task	Due Date	CalPERS Review Date	Acceptance Criteria	Total Amount
Deliverable 1: Support the ongoing rollout of SDA to CalPERS HQ and Remote Offices	Monthly by the five (5) business day (BD) of the month, for the term of the engagement	Monthly by the last business day (BD) of the month, for the term of the engagement	Mutual agreement between consultant and CalPERS Project Point of Contact	\$
Deliverable 2: Support the ongoing maintenance and operations as SDA is deployed	Monthly by the five (5) business day (BD) of the month, for the term of the engagement	Monthly by the last business day (BD) of the month, for the term of the engagement	Mutual agreement between consultant and CalPERS Project Point of Contact	\$
Deliverable 3: Architect/Design/Deploy SD-WAN solution for CalPERS	Monthly by the five (5) business day (BD) of the month, for the term of the engagement	Monthly by the last business day (BD) of the month, for the term of the engagement	Mutual agreement between consultant and CalPERS Project Point of Contact	\$
Deliverable 4: Knowledge Transfer	Monthly by the five (5) business day (BD) of the month, for the term of the engagement	Monthly by the last business day (BD) of the month, for the term of the engagement	Mutual agreement between consultant and CalPERS Project Point of Contact	
			Grand Total	

Attachment B

EVALUATION CRITERIA FOR BEST VALUE AWARD

SCOPE OF WORK REQUIREMENTS	Scoring Points
Qualifications	70
1. Two (2) years' experience with SDA & SD-WAN architecture/Design	10
2. Two (2) years' experience with Cisco DNAC	5
3. Four (4) years' experience with Cisco ISE	5
4. Five (5) years' experience with switching/routing	5
5. Three (3) years' experience with Cisco FTDs	5
Interviews - Conducted for the top three (3) scoring candidates	40
Cost Lowest cost proposal will receive full cost points. All other proposals will receive a percentage of the total points.	30
Total:	100

The Best Value numeric score rating (0 = not acceptable)