



**CITY OF PITTSBURGH  
COMPREHENSIVE MUNICIPAL PENSION TRUST  
FUND**

REQUEST FOR PROPOSAL  
PORTFOLIO MONITORING AND SECURITIES LITIGATION SERVICES

Department of Finance  
1<sup>st</sup> Floor, City-County Building  
Pittsburgh, PA 15219

February 18, 2011



*City of Pittsburgh*  
*Comprehensive Municipal Pension Trust Fund*  
*Request for Proposal*  
*Portfolio Monitoring and Securities Litigation Services*

**CONTENTS:**

**I. INTRODUCTION**

- A. General Information
- B. Term of Engagement
- C. Subcontracting

**II. NATURE OF SERVICES REQUIRED**

- A. General
- B. Scope of Work to be Performed
- C. Reports to be Issued

**III. TIME REQUIREMENTS**

- A. Proposal Calendar
- B. Notification

**IV. PROPOSAL REQUIREMENTS**

- A. General Requirements
- B. Technical Proposal
  - 1. General Requirements
  - 2. License to Practice in Commonwealth of Pennsylvania
  - 3. Firm Qualification and Experience
  - 4. Partner, Supervisory and Staff Qualifications and Experience
  - 5. Prior Work with the City of Pittsburgh
  - 6. Disclosure required pursuant to Act 44 of 2009 of the Commonwealth of Pennsylvania
- C. Sealed Contingency Fee Bid
  - 1. Contingency Fee
  - 2. Manner of Payment

**V. EVALUATION PROCEDURES**

- A. Review of Proposals
- B. Evaluation Criteria
  - 1. Mandatory Elements
  - 2. Technical Qualifications
  - 3. Price
- C. Final Selection
- D. Right to Reject Proposals



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

APPENDICES

- A. Proposer Guarantee
- B. Proposer Warranties



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services  
February 2011*

## **I. INTRODUCTION**

- A. General Information.** The City of Pittsburgh Comprehensive Municipal Pension Trust Fund ("Fund") seeks a qualified outside attorney to provide portfolio monitoring and fraud litigation services for its public pension plans as more fully described herein in Section II. The portfolio monitoring and any associated evaluation and counseling services will be offered at no cost to the Fund.

The selected firm may be retained on a contingency basis in the event that the Fund decides to take legal action in a securities litigation matter. However, the selected firm cannot be assured that any resulting litigation will be awarded to that firm.

To be considered, one original and three (3) copies of the proposal must be received by 4:00 p.m. on March 11, 2011. Please direct proposals to:

Anthony J. Pokora, Assistant Director  
City Department of Finance  
First Floor City-County Building  
414 Grant Street  
Pittsburgh, PA 15219

Proposals submitted will be reviewed by a four (4) member evaluation committee selected by the Board of the Trustees of the Fund consisting of the:

- Director, Department of City Finance/Executive Director of Fund
- Chairman, Board of Trustees of the Fund
- Assistant Director, City Department of Finance
- Solicitor of the Fund

The Fund reserves the right to reject any or all proposals submitted and to engage more than one consultant under this proposal.

During the evaluation process, the Fund reserves the right, where it may serve the Fund's best interest, to request additional information or clarification from proposers, or to allow corrections of error or omissions. At the discretion of the Fund or the Evaluation Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The Fund reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

indicates acceptance by the proposing firm of the conditions contained in this request for proposal.

It is anticipated that the Fund will choose a firm in May, 2011. Following the notification of the selected firm, it is expected that the contract will begin within 10 days of selection.

- B. Term of Engagement.** The Fund or the selected firm may terminate the agreement in writing with reasonable notice. Critical to the Fund's evaluation of candidates will be experience in monitoring other public retirement systems' portfolios and successful prosecution of securities litigation cases.
- C. Subcontracting.** Minority Business Enterprise (MBE) and/or Women Business Enterprise (WBE) participation is requested in all Fund contracts. Such participation may be demonstrated by utilization of MBE/WBE firms through the use of subcontracts with such firms in support services, supplies, etc.

Proposals shall include a plan on how and to what extent the MBE/WBE participation will be utilized. A copy of a current MBE/WBE certification letter for the bidding firm or the subcontractor must be submitted with the proposal. PENNDOT, the County of Allegheny, the City of Pittsburgh and the Commonwealth of Pennsylvania Department of General Services are recognized governmental certifications. Certifications by the Port Authority of Allegheny County and regional minority purchasing councils must be accompanied by one of the above-mentioned governmental entities.

The goals suggested by the Fund for the MBE and/or WBE utilization are 25% and 10%, respectively. The manager of the MBE/WBE program for the City will review each proposal in cooperation with the Minority and Women's Business Enterprise Review Committee.

Proposed subcontracting firms must be clearly identified in the proposal. Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the Fund.



*City of Pittsburgh*  
*Comprehensive Municipal Pension Trust Fund*  
*Request for Proposal*  
*Portfolio Monitoring and Securities Litigation Services*

## **II. NATURE OF SERVICES REQUIRED**

- A. General.** The Fund is searching for a qualified outside attorney to perform the Scope of Work set forth below.
- B. Scope of Work to be Performed.** The services requested will include, but not be limited to:
- Monitor the Fund's invested assets for any losses that may have occurred as a result of a violation or potential violation of federal and state securities laws or a breach of any duty owed to the Fund.
  - Provide the Fund with an ongoing comprehensive securities monitoring and administration service that will provide the Fund with expert legal advice, counsel, and litigation-related services involving all aspects of securities litigation.
  - Use internal and external resources to identify and monitor securities litigation in which the Fund may have an interest.
  - Advise the Fund of the existence of situations where litigation or arbitration may be warranted in a matter, including an assessment of likely outcome, whether there is on-going litigation to which the Fund should be a party, whether the Fund should apply to be lead plaintiff or seek to join the lead plaintiff group, whether the Fund should remain in the plaintiff class or opt out, various deadlines that affect the Fund's rights, and other factors, as appropriate, to enable the Fund to make an informed decision about how to proceed.
  - If engaged by the Fund, zealously represent the Fund at all stages of litigation.
  - At the request of the Fund, assist in establishing a securities monitoring and securities litigation policy.
  - Be responsive to and available on an "as needed" basis to confer with and provide recommendations to the Fund regarding case status, strategies, and potential settlement or other resolution of cases.
- C. Reports to be Issued.** On a monthly basis, the firm shall issue a report on the status of any pending or potential litigation relative to the Fund's investments.



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

**III. TIME REQUIREMENTS**

**A. Proposal Calendar.** The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued	February 18, 2011
Due date for proposals	March 11, 2011

**B. Notification.**

Selected firm notified	May, 2011
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*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

## **IV. PROPOSAL REQUIREMENTS**

### **A. General Requirements.**

- Inquiries. Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Anthony J. Pokora, Assistant Director  
City Department of Finance  
1<sup>st</sup> Floor, City-County Building  
414 Grant Street  
Pittsburgh, PA 15219  
(412) 255-2899

- Submission of Proposals. The following material is required to be received by 4:00 PM, March 11, 2011 for a proposing firm to be considered:

**A master copy (so marked) of a Technical Proposal and three (3) copies to include the following:**

- Title Page showing the request for proposal's subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
- Table of Contents
- Transmittal Letter signed with brief statement of the firm's understanding that the proposal is a firm and irrevocable one (1) year offer.
- Detailed Proposal following the order set forth in "Section IV, B" of the request for proposal.
- Executed copies of Proposer Guarantee and Proposer Warranties, attached to this request for proposal (Appendix A and Appendix B).



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

**An original and three (3) copies of a dollar cost bid, plus a CD with the bid documents, in separate sealed envelopes marked as follows:**

SEALED CONTINGENCY FEE BID PROPOSAL  
City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
PROFESSIONAL EVALUATION SERVICES  
MAIL ROOM – DO NOT OPEN

**Mail the completed proposal to the following address:**

Anthony J. Pokora, Assistant Director  
Department of Finance  
1<sup>st</sup> Floor, City-County Building  
414 Grant Street  
Pittsburgh, PA 15219

**B. Technical Proposal.**

- 1. General Requirements.** The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake the portfolio monitoring and securities litigation services. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this ongoing engagement.

**THERE SHOULD BE NO FEES INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.**

The Technical Proposal should address all the points outlined in the request for proposal (excluding any cost information which should only be included in the sealed dollar cost bid). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the firm's capabilities to satisfy the requirements of the request for proposal. While additional data may be presented, the following subjects, item Nos. 2 through 6 must be included. They represent the criteria against which the proposal will be evaluated.



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

- 2. License to Practice in the Commonwealth of Pennsylvania.** An affirmative statement should be included that the firm and all assigned key professional staff are properly registered and/or licensed to practice law in the Commonwealth of Pennsylvania.
- 3. Firm Qualification and Experience.** The firm must be regularly established in the securities litigation monitoring field and have experienced personnel able to provide the required services. The firm must demonstrate that it has concluded a securities litigation case within the past five (5) years.

The firm should state the size of the firm, the location of the office from which the work on this engagement is to be performed, the number and nature of the professional staff to be employed on this project on a full-time basis, and the number and nature of the staff to be so employed on a part-time basis. Critical to the Fund's evaluation of candidates is the experience of the firm in monitoring other public retirement system's portfolios and successful prosecution of securities litigation cases

If the firm is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified. The firm that is to serve as the principal counselor should be noted, if applicable.

- 4. Partner, Supervisory and Staff Qualifications and Experience.** The firm should identify the principal supervisory and management staff, project partners, managers, supervisors, specialists and seniors, who would be assigned to this engagement. The firm should also provide information on the relevant experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this engagement.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education of the specific staff to be assigned to this project and also indicate how the quality of staff over the term of the agreement will be assured.

The firm should identify the extent to which staff to be assigned to this engagement reflects the Fund's commitment to Affirmative Action.

Partners, managers, supervisory staff, specialists and seniors may be changed if those personnel leave the firm, are promoted, or are assigned to another office so long as all requested information has been provided with regard to the individuals who will be working on the engagement. These personnel may also be changed for other reasons



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

with the express written permission of the Fund. However, in either case, the Fund retains the right to approve or reject replacements.

Other personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

- 5. Prior Work with the City or the Fund.** List separately all engagements within the last five years, ranked on the basis of total staff hours and by type of engagement (i.e., consulting services, litigation services, other). Indicate the scope of work, date, partners, total hours, the location of the firm's office from which the work was performed, and the name and telephone number of the principal client contact.
- 6. Disclosure required pursuant to Act 44 of 2009 of the Commonwealth of Pennsylvania.**

Provide the following information:

- a. Whether any individual who will be assigned to the contract is a current or former official or employee of the City or the Fund. If applicable, provide details.
- b. Whether any individual who will be assigned to the contract has been a registered Federal or Pennsylvania lobbyist. If applicable, provide details.

**NO FEES SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL**

**C. Sealed Contingency Fee Bid**

- 1. Contingency Fee.** The contingency fee bid should contain the fees as a percentage of the total securities action recovery/settlement for the Fund.

The Fund will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed contingency fee bid. Such costs should not be included in the proposal.



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

The first page of the contingency fee bid should include the following information:

- a. Name of Firm.
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the quote, and authorized to sign a contract with the Fund.
- c. Contingency rate.

2. **Manner of Payment.** Payment shall be made after the Fund receives the proceeds from any judgment or settlement at the agreed upon contingency rate.

## **V. EVALUATION PROCEDURES**

- A. **Review of Proposals.** The Evaluation Committee will convene to review and discuss these proposals.

The Fund reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

- B. **Evaluation Criteria.** Proposals will be evaluated using three sets of criteria. The following represent the principal selection criteria that will be considered during the evaluation process:

1. **Mandatory Elements**

- a. The firm is licensed to practice law in the Commonwealth of Pennsylvania.
- b. The firm has no conflict of interest with regard to any other work performed by the firm or by the City of Pittsburgh or the Fund; and hiring the Firm will not be in violation of the requirements of Act 44 of 2009 for a professional services contract.
- c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.

2. **Technical Qualifications:**

- a. Expertise and Experience
  - (i) The firm's past experience and performance on comparable engagements.



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

- (ii) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

**3. Price:** The contingency rate will not be the primary factor in the selection.

**C. Final Selection.** The Board of Trustees of the Fund will approve the selected firm based upon the recommendation of the Evaluation Committee.

**D. Right to Reject Proposals.** Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Fund and the firm selected. The Fund reserves the right without prejudice to reject any or all proposals.



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

**APPENDICES**

- A. Proposer Guarantee**
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*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

**APPENDIX A**

**PROPOSER GUARANTEE**

The proposer certifies it can and will provide and make available, as a minimum, all services set forth in Section II, Nature of Services Required.

Signature of Official: \_\_\_\_\_

Name (typed): \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

Date: \_\_\_\_\_



*City of Pittsburgh  
Comprehensive Municipal Pension Trust Fund  
Request for Proposal  
Portfolio Monitoring and Securities Litigation Services*

**APPENDIX B**

**PROPOSER WARRANTIES**

- A. Proposer warrants that it is willing and able to comply with Commonwealth of Pennsylvania laws with respect to foreign Commonwealth of Pennsylvania corporations.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Fund.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: \_\_\_\_\_

Name (typed): \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

Date: \_\_\_\_\_