

**STATE OF RHODE ISLAND**  
**OFFICE OF THE GENERAL TREASURER**



---

**REQUEST FOR PROPOSALS**  
**To Provide Unclaimed Property Custodial Services**

**The Office of the General Treasurer**

**RFP Issued: May 13<sup>th</sup> 2024.**  
**Proposals Due: June 3<sup>rd</sup> 2024**

## **TABLE OF CONTENTS**

### **SECTION I: Page 3**

#### **General Information**

Introduction

### **SECTION II: Page 3**

#### **Purpose of Request for Proposal Purpose and Term**

Issuing Officer, Contacts and Lobbying

### **SECTION III: Page 4**

#### **Scope, Qualifications and Information Requested**

Scope of Services

Qualifications

Information Requested

### **SECTION IV: Page 7**

#### **Proposed Fee**

Negotiate Fees and Best and Final Offers (BAFO)

### **SECTION V: Page 8**

#### **Selection Process**

Schedule

Questions

Proposal Submission and Format

Evaluation of Responses

### **SECTION VI:**

#### **Other Considerations and Restrictions**

## **SECTION I: GENERAL INFORMATION**

### **INTRODUCTION**

The Office of the General Treasurer (“Treasury”) is responsible, in part, for the collection and safe custody of Rhode Islander’s lost and unclaimed property, that under the law, escheat to the state of Rhode Island when the legal owner of the property cannot be identified or located by the property holder. The state’s Unclaimed Property Division is currently in possession of more than 350 million dollars’ worth of Rhode Islanders’ property. The laws governing the Unclaimed Property Division are found at R.I. Gen. Laws §33-21.1 *et. seq.*

## **SECTION II: PURPOSE OF RFP**

### **PURPOSE AND TERM**

The Treasury requests responses from qualified bidders interested in providing custody and safekeeping services for deposits of cash, stocks, and mutual funds as well as the liquidation of these assets for the Treasury’s Unclaimed Property Division.

The qualified bidder will be required to hold stocks, bonds and mutual funds for guaranteed safekeeping. As part of this task, the custodian will settle all transactions either by physical transfer of securities or by electronic transfer through a central depository. The custodian will be required to have proper safeguards in place to protect the possession of all physical securities, the integrity of electronic holdings and the confidentiality of the information relating to the positions held by the Unclaimed Property Division. The bidder will also be required to be capable of liquidating these securities when requested by the Unclaimed Property Division.

The term of this contract shall be for a period of one (1) year with up to two (2) subsequent one (1)-year renewals at the discretion of the Treasury, under the same or better terms and conditions as negotiated at Treasury’s discretion. Bidders who offer price guarantees for the life of the contract will be held to that offer or such better terms as are negotiated.

### **CONTACTS AND LOBBYING**

No contact with any other employee or official of Treasury is permitted with respect to this RFP, any proposals submitted in response to the RFP, or the contract to be awarded pursuant to this RFP. This prohibition includes, but is not limited to, any lobbying efforts directed at state legislators, officers, or employees who might reasonably be considered to have influence over the process and final outcome. Violations of the provision may result in immediate disqualification from this and any future business opportunities with the Treasury’s Unclaimed Property Division.

### **SECTION III: SCOPE OF SERVICES, QUALIFICATIONS, INFORMATION REQUESTED**

#### **SCOPE OF SERVICES: UNCLAIMED PROPERTY CUSTODIAL SERVICES**

The custodian must maintain an account under the Office of the General Treasurer's name and Tax Identification Number for securities remitted to the Unclaimed Property Division. The account shall be separate and distinct from any other account under the custodian's management.

**ELECTRONIC AND ONLINE RESOURCES.** The custodian must be able to provide on-line access to account information, account balance, activity detail, security description, corporate action information, reorganizations, sales and transfers of securities and disbursements. The custodian will also provide:

1. transactions, transfers, wires, DTC, of securities or cash requested by e-mail or other electronic means.
2. historical and current information on-line
3. the ability to print information from on-line sources.
4. automated, daily files of transactions and holdings sent via a secure file transfer.
5. the ability to customize information requests i.e. search deposits only, specific range of dates.
6. a secure site to prevent intrusion from third parties and protect information

provide information as to any existing automated reconciliation processes which would enable the Treasury to have the ability to reconcile Unclaimed Property Holder Reports to custodian holdings.

**SERVICES.** The custodian must provide knowledgeable staff available by phone and e-mail during normal business hours (8:30 AM to 4PM EST, Monday – Friday) with prompt response times to inquiries by the Unclaimed Property Division within 24 hours. The custodian will also provide:

1. Upon initiation of services the custodian will accept all cash and securities from our current custodians and or the Treasury, including cash and securities deposited to our current custodians after commencement of this agreement. The custodian is expected to waive initial and subsequent transaction costs associated with the transfer of cash and securities with current custodians and or the Treasury due to conversion.

Current Custodian Values	5,000,000
Stocks	40,000,0000

Total Value of Current Portfolio	45,000,000
Anticipated Volumes	
DTC Receipts	Estimated based on 2023 Report Year
Mutual Fund Receipts	600 individual receipts/3,100,000 shares
ACH or Wire Transfer	175 individual receipts/125,000 shares
Claimant Returns	24
Sales	20 DRS 10 Mutual Fund

2. Ability to accept calls from Unclaimed Property clients, during normal business hours, regarding the transfer and delivery of securities to owners (avg. is less than five calls a month).
3. Ability to provide daily transaction reports of received securities, cash, and wires
4. Transfer or re-register securities in the owner's name and make delivery to the owner in 30 days or less upon request.
5. Provide monthly statements detailing transactions and securities held.
6. Ability to research unpublished and unknown items received by the Unclaimed Property Division.
7. Ability to tag/track securities by date of receipt and provide semi-annual reports of securities grouped by date of receipt.
8. Provide a list of securities (semi-annually or when requested), available for sale with cusip #, symbol, current value, value per share according to criteria provided by the Unclaimed Property Division (criteria to be determined).
9. Ability to provide Transition Management Services for liquidating individual securities on demand as well as large, planned liquidations.
10. Ability to execute and settle sales or purchases of securities.
11. Must monitor and collect proceeds from bond maturity and calls.
12. Must monitor, collect, and reconcile dividend payment, interest payments, stock splits, tenders or other activities associated with a reorganization or corporate action.
13. Upon completion of the contract the custodian must transfer all cash and securities to the successor, including securities deposited after the contract date intended for the Unclaimed Property Division. The custodian will also provide the successor with all information related to the services of the prior administration of the program and respond to any questions, related to the prior administration of the program, from the Unclaimed Property Division or successor within a 24-hour period. The custodian is expected to provide these services at no additional fee.
14. Ability

to provide a high-level daily market value report for each account updated for the previous day's close of business.

## **QUALIFICATIONS**

To be considered for selection, the following minimum qualifications must be met:

1. The Respondent has a minimum of three (3) years of experience with providing long term custody services to Unclaimed Property programs.
2. The Respondent has detailed information security processes in place. This includes data encryption ability and other related features to secure materials both online and offline.
3. Once selected, the Respondent will be qualified with the Secretary of State to conduct business in the State of Rhode Island and the qualification must be kept current throughout the term of the Agreement.
4. The Respondent must have a robust customer service operation in place.
5. Once selected, the Respondent will maintain sufficient procedures and capabilities to ensure the timely and accurate backup and full recovery for all data storage systems related to the Rhode Island account.
6. The Respondent has a company policy and practice of equal opportunity and non-discrimination based on race, creed, sexuality, or gender.
7. Once selected, the Respondent will carry a fidelity bond, errors and omissions insurance or comparable instruments to cover negligent acts or omissions.

The Respondent has a continuing obligation to disclose information throughout the RFP process and during the term of engagement should any qualifications or situations change that might be considered material or might render the Respondent unqualified.

## **INFORMATION REQUESTED**

### **Organization and History**

1. Provide the name, title, address, e-mail address, and telephone number of the individual(s) responsible for responding to this RFP.

2. Please describe your company by providing comment on the following:
  - a. Business background, organizational history (including year founded) and ownership structure.
  - b. An overview of your company and list all major business lines.
  - c. What percent of revenue is derived from public entities?
  - d. What percent of revenue is derived from non-profit and corporate entities?
  - e. Is your company Minority Business Enterprise (MBE)/ Women Business Enterprise (WBE) certified? Please identify the percentage of MBE/WBE employed.
3. Provide an organizational chart of your securities management team. Indicate the number of employees you have in each functional area of your program management operations and the location in which program management services are provided.
4. How many years has your company offered Unclaimed Property services?
5. Detail the public plans in which you currently provide software management, or other digital governance tools, including the program name, length of contract, number of account owners and current assets.
6. Disclose any termination for cause from any custody contract in the past three (3) years. Cite background of the contract, reason for termination, and remedies the respondent has employed to preclude similar circumstances from reoccurring.
7. Provide a list of any subcontractors that your company plans to utilize in performing the services required. Indicate the contractual relationship and/or affiliation with the subcontractor(s). Detail the services to be provided by subcontractor(s) and how your company monitors those services. Do you require licenses or insurance from your subcontractors?
8. Provide three (3) references in which your company provides similar services as requested in this RFP. Include entity name, contact name, phone number and email address. Provide a short description of the services you provide and the length of the contract.
9. Detail any potential conflicts of interest you foresee by providing the services outlined in this RFP. Please identify the actions that would be taken to avoid any conflict(s) of interest.
10. Detail any pending, ongoing or threatened criminal or civil investigation, litigation and/or action involving your company as well as any other comparable matter that has been concluded within the past three (3) years.

## **Legal and Regulatory Compliance**

1. Discuss your experience with providing legal and regulatory compliance support to Unclaimed Property custody customers. Specifically address the development of program description and amendments.

2. Discuss how your company would update the Office of the General Treasurer with regards to legal and regulatory compliance matters as it relates to the Unclaimed Property industry.

### **Administration**

1. How long has the current Unclaimed Property securities reconciliation been deployed?
2. When was the last major update to the system and what were the key enhancements made?
3. Is your company going through any system conversions or major changes now or in the next three (3) years related to this product offering? If so, please describe and give the schedule. What effect will this have on the platform?
4. Discuss your security testing and identify the dates of testing for the last XX (X) years.
5. Describe your company's policies and procedures regarding data encryption, cyber security and other measures to prevent unauthorized access or fraud and include the types of insurance coverage your company maintains as it relates to the services to be provided as described in this RFP. Provide the names of carriers and the amounts of coverage. Attach current certificates of insurance in effect.

### **Customer Service and Implementation**

1. Discuss which personnel will be assigned to the Securities custody services with respect to client service and day-to-day interaction with Treasury. Please provide a brief bio for everyone.
2. Discuss how your company would involve and coordinate with the Office of the General Treasurer in customer service-related matters.
3. Describe your securities custody expertise as it relates to Unclaimed property?
4. Outline your company's process for responding to issues and inquiries made by Unclaimed Property staff.
5. How do you monitor customer satisfaction, including with the Office of the General Treasurer and Unclaimed Property system users?
6. Provide a detailed task list and schedule on how you will approach the initial implementation process, including actions required on the part of the Office of the General Treasurer and the timeframe to complete each task. Clearly describe the process: who is responsible for coordinating activities, who must participate, what activities must occur? Detail the type and number of resources required from the Office of the General Treasurer, if any.
7. Describe any automation, enhancements, or benefits that your organization can provide between the Custody services and the Office of the General Treasurer's Unclaimed Property



Database. Include any details regarding integrations and automated updates to the Unclaimed Property Database.

8. What dedicated resources (personnel, training, etc.), procedures, and controls will you provide or recommend for future training needs? Will additional training be provided when board members or executive staff turnover?

9. What is the process for handling ongoing maintenance and software upgrades for devices and/or your system? Describe how your company will overcome these issues and maintain service and functionality throughout.

10. Provide any additional information for services that can be provided to ensure that the balance in the custodial account remains in balance with the Office of the General Treasurer's Unclaimed Property Database.

#### **SECTION IV: PROPOSED FEE**

Treasury is interested in achieving high quality services at the lowest possible cost.

Please provide all fee details in a separate document from the rest of your RFP response. This will be reviewed separately as part of the final evaluation.

1. Detail all fees associated with your proposal, including the expenses outlined below:

- A. Annual License or Maintenance Fee
- B. Setup Fee
- C. Training Fee
- D. Additional Training(s) Fee
- E. Customization Fee
- F. Liquidation Fees or Commissions

1. Detail any other fees (beyond those described in the previous question) that your company plans to collect because of the Securities Custody services.

2. Provide fees for any Optional Services described in your response to this RFP.

#### **NEGOTIATE FEES AND BEST AND FINAL OFFERS (BAFO)**

Fees are a material element in awarding the contract pursuant to this RFP. The Treasury and/or its agents reserve the right to negotiate fees and request best and final offers. Fees, however, are only one of several factors used to evaluate proposals and Treasury may rely on factors other than the lowest level of fees in awarding the contract pursuant to this RFP.

#### **SECTION V: SELECTION PROCESS**

## SCHEDULE

RFP Issued	May 13th 2024.
Deadline for proposers to submit questions	May 27 <sup>th</sup> 2024.
Response to questions	May 31st 2024
<b><i>RFP Proposals due</i></b>	<b>June 3rd 2024</b>
Evaluation Period and Interviews (if necessary)	June 10th, 2024*
Service provider selection	June 17th, 2024*
Contract negotiations and drafting	June 24 <sup>th</sup> 2024*
Program launch	July 1st, 2024*

\*dates are tentative and subject to change

## RESPONDENT QUESTIONS

Any questions regarding this RFP should be submitted to [UP\\_RFPs@treasury.ri.gov](mailto:UP_RFPs@treasury.ri.gov) no later than 4:00 P.M. EST on May 27<sup>th</sup> 2024. All questions will be aggregated and posted publicly on the “Open Government/Requests For Proposals (RFPs)” section of [www.treasury.ri.gov](http://www.treasury.ri.gov). Treasury staff will not answer questions verbally or individually during the RFP process.

## SUBMISSION OF PROPOSALS

Respondents should submit two (2) electronic copies: (one in PDF format and one in Word format) to [UP\\_RFPs@treasury.ri.gov](mailto:UP_RFPs@treasury.ri.gov) no later than 4:00 P.M. Eastern on June 3<sup>rd</sup> 2024 if the Respondent designates any portion of the proposal as being a non-public record, the Respondent must submit one (1) copy of the proposal from which the non-public records is deleted or redacted. *See Section V: Other Considerations and Restrictions/Confidentiality* below. Please submit fee information in a separate file labeled clearly as “(Company Name) Fee Proposal.” Proposals received after that deadline will not be considered. Telephoned or faxed submissions will not be considered.

## PROPOSAL FORMAT

Proposals should be prepared in a concise manner, delineating the Respondent’s capabilities to satisfy the requirements of this RFP. It is essential that Respondents follow the format and instructions contained herein. Proposals must include substantial evidence of the Respondent’s commitment and ability to undertake the services required and outlined in this RFP. Proposals should be limited to no more than twelve (12) pages.

The Treasurer reserves the right to request and consider supplements to proposals or to particular proposals after the deadline for initial proposals, until such time as a contract with a particular Respondent is finalized.

The proposal must be accompanied by a cover letter not to exceed one (1) page, dated and signed by the individual(s) authorized to bind the proposer contractually. The cover letter must indicate that the signer is so authorized and must indicate the title or position the signatory holds. The cover letter must also contain the following information:

A statement from the person authorized to bind the company certifying that:

1. No member of the firm made inquiries with respect to this RFP other than in email written communication as outlined in this RFP from the date of this RFP through the date of submission of proposal.
2. That all information in the proposal is true and correct to the best of their knowledge.
3. The firm employs diversity policies and practices and affirmative action programs undertaken, including a policy of Equal Employment Opportunity (EEO) and non-discrimination based on race, color, religion, sex, sexual orientation, gender identity or expression, age, national origin, or disability.
4. The firm maintains the appropriate amount of insurance as it relates to services provided in this RFP.
5. The firm is in compliance with Title 17, chapter 27 of the Rhode Island General Laws with respect to the reporting of any contributions made to a candidate for public office in the State of Rhode Island.

## **EVALUATION OF PROPOSALS**

Selections are based upon an assessment of the Respondent's ability to provide the services as described above and the Respondent's proposal. The selection process will consider the relevant experience of the respondent, the strength of the proposal, the demonstrated ability and willingness of the Respondent to structure the best possible delivery of services, and the cost of the proposed services.

During the evaluation process the Treasury staff reserves the right to request additional information or clarification from those submitting responses. Respondents may be asked to participate in a telephonic interview, an in-person interview in Rhode Island.

Proposals that contain false or misleading statements or that provide references that do not support an attribute or condition claimed by Respondent may be rejected.

The RFP does not commit the Treasury to make any selection or to pay any costs incurred in the preparation of the responses or attendance at interviews and the Treasury in its sole discretion, reserves the right to accept or reject any or all responses received as a result of this RFP, to waive any nonconformity with the provisions hereof, to waive or not waive any immaterial technicality or irregularity, deviation, or defect in a proposal, to negotiate with any qualified source, to cancel

or withdraw this RFP at any time, with or without cause or whenever it would be in the best interest of Treasury to do so and to accept the proposal it considers most favorable to Treasury. The Treasury's waiver of an immaterial deviation or defect shall in no way modify the RFP or excuse the Respondent from full compliance with the requirements of the RFP. All proposals shall become the property of the Treasurer and shall be subject to the Access to Public Records Act ("APRA") under Rhode Island General Laws § 38-2-1 *et seq.*

## **SECTION VI: OTHER CONSIDERATIONS AND RESTRICTIONS**

### **CONFIDENTIALITY**

The Treasurer shall treat all documents submitted by a Respondent in response to this RFP as public records upon awarding the contract pursuant to this RFP. The release of public records is governed by R.I. Gen. Laws §38-2-1 *et seq.* ("APRA"). Respondents are encouraged to familiarize themselves with this law before submitting a proposal.

By submitting a proposal, Respondent agrees that the Treasurer may reproduce Respondent's proposal for purposes of facilitating the evaluation of the proposal or to respond to requests for public records. Respondent consents to such reproduction by submitting a proposal and further warrants that such reproduction does not violate its rights or the rights of any third parties.

Any request by Respondents that records submitted by them be exempt from being considered public records must be included in the cover letter with the Respondents' proposal. In addition, Respondents must enumerate the specific grounds upon which the APRA or other applicable law supports treatment of the documents as exempt from being considered a public record, and further, the factual basis, if any, upon which they rely in asserting that the documents should be exempt. Any request for treating records submitted as being exempt must also include: the name, address, and telephone number of the person authorized by the Respondent to respond to any inquiries by the Treasurer with regard to such an assertion.

Any proposals submitted which contain non-public records must be conspicuously marked on the outside as containing non-public information, and each page upon which non-public information appears must be conspicuously marked as containing non-public information. Identification of the entire proposal as being non-public records may be deemed non-responsive and may disqualify the Respondent.

**If the Respondent designates any portion of the proposal as being a non-public record, the Respondent must submit one (1) copy of the proposal from which the non-public record is deleted or redacted.** This copy shall be submitted in addition to the number of copies requested in Section V of this RFP. The non-public records must be excised in such a way as to allow the public to determine the general nature of the information redacted and retain as much of the proposal as possible.

The Treasurer will treat the records marked as non-public as being confidential information to the extent such information is determined confidential under the APRA or other applicable law or by a court of competent jurisdiction. The Respondent's failure to request records submitted as being non-public records will be deemed as a waiver of any right to confidentiality, which the Respondent may have had.

## **RESTRICTIONS ON GIFTS**

State ethics laws restrict gifts which may be given or received by employees and directors and require certain individuals to disclose information concerning their activities with the State government. Respondents are responsible to determine the applicability of these laws to their activities and to comply with the requirements. In addition, it is a felony offense to bribe or attempt to bribe a public official.

## **STATE CODE OF ETHICS**

The State of Rhode Island and Treasurer are committed to maintaining the highest standards of ethics in the awarding of contracts. In accordance therewith, all Respondent's should be familiar with and abide by the State Code of Ethics, as set forth in Rhode Island General Laws §36-14-1 *et. seq.*, and any additional regulations as provided on the State Ethics Commission website <http://www.ethics.ri.gov/code-ethics>.

## **NON-DISCRIMINATION**

All proposals shall be considered based on their merit in accordance with the criteria specified herein and shall not exclude any person, company, or other entity, from consideration on the grounds of sex, sexual orientation, gender identity or expression, age, race, color, religion, national origin, or disability. For more information, see the Division of Equity, Diversity & Inclusion at the State of Rhode Island Department of Administration's website: [dedi.ri.gov](http://dedi.ri.gov).