



ITEM 16

Executive Staff

Richard Stensrud
Chief Executive Officer

Steve Davis
Chief Investment Officer

Robert L. Gaumer
General Counsel

Kathryn T. Regalia
Chief Operations Officer

John W. Gobel, Sr.
Chief Benefits Officer

For Agenda of:
December 21, 2016

December 16, 2016

TO: President and Members
Board of Retirement

FROM: Richard Stensrud
Chief Executive Officer

SUBJECT: Selection of a Data Conversion Vendor

Recommendation:

That the Board adopt the proposed resolution authorizing the engagement of ICON Integration & Design, Inc. to provide data conversion services for the SCERS IT Modernization Program.

Brian Colker of Linea Solutions, consultant for the IT Modernization Program, will present the recommendation by Staff, representatives from DTech, and Linea Solutions that SCERS engage ICON Integration and Design, Inc. to provide data conversion services for the SCERS IT Modernization Program. Mr. Colker will:

- Outline the data conversion services procurement process;
- Provide a comparison of the two finalists considered for the engagement;
- Outline the drivers for the firm being recommended;
- Discuss the cost of the project; and
- Outline the next steps in moving forward with the data conversion work and the broader IT Modernization Program.

Mr. Colker's PowerPoint presentation is attached, as is a proposed resolution authorizing the engagement of ICON.

Recommended Data Conversion Services Vendor
December 16, 2016
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Mr. Colker and Staff will be happy to answer any questions you might have regarding the procurement process, recommended service provider, and the data conversion project generally.

Respectfully,

Richard Stensrud
Chief Executive Officer



IT Modernization Program – Data Conversion Vendor Selection



Presentation to the Board of Retirement
21 December 2016

Brian Colker, Project Advisor

Agenda



1. Process review
2. Comparison of Two Finalists
3. Main Driver of Selection
4. Discussion of Cost
5. Upcoming Project Activities

Review of Process



- + Data Conversion RFP released in August
- + September – review of SCERS data with potential bidders
- + October – analysis of three RFP responses & selection of two finalists
- + November – oral presentations & interviews; reference checks
- + December – best and final offers solicited; final decision made

Comparison of Finalists



MBS

- + Experience with MCERA / VCERA PAS projects
- + Proposed two 50% time resources
- + Usually works off-site
- + Company is a software development firm
- + Demonstrated strong resources at orals
- + Written proposal was thorough and well done

Icon

- + Experience with 16 public retirement systems
- + Proposed two 100% dedicated resources
- + Usually works on-site
- + Company is 100% dedicated to this type of service
- + Proposed methodology and tool set used multiple projects
- + Strong performance at orals
- + Written proposal thorough and well done

Drivers for Decisions



The Project Steering Committee selected Icon Integration for the following reasons:

- + More structured methodology and approach
- + Approach was proven on many previous engagements
- + On-site approach preferred
- + More complete set of services proposed
- + Imaging/Microfiche subcontractor was strong
- + Pricing very similar

MBS was judged to be a strong bidder as well

Cost



- + Cost for conversion will be ~\$1.5 million, plus additional cost for microfiche conversion
- + Cost range estimated in April - \$700K - \$1.5m
- + Reasons for higher end of estimate:
 - Icon will have two people on-site full-time
 - Project duration estimated at 48 months due to resource constraints
 - Two major sources for legacy data + microfiche – high complexity

Next Steps



- + Finalize contract with Icon
- + Begin data analysis and prepping work (late January)
- + Pension Administration RFP is close to completion
- + RFP expected to be released in January

RESOLUTION NO. SCERS 2016-10

**RESOLUTION OF THE BOARD OF RETIREMENT
OF THE SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM
TO EXECUTE AN AGREEMENT TO ENGAGE ICON INTEGRATION
& DESIGN, INC. TO PROVIDE DATA CONVERSION SERVICES**

WHEREAS, in August 2106, SCERS distributed a RFP for data conversion services;

WHEREAS, in October 2016, SCERS received three (3) responses to the RFP;

WHEREAS, SCERS reviewed the RFP responses and determined that ICON Integration & Design, Inc. should be selected for the engagement;

WHEREAS, the SCERS Board authorizes the retention of ICON Integration & Design, Inc. subject to successful contract negotiation of an agreement in form satisfactory to the Board;

NOW, THEREFORE, IT IS RESOLVED:

The President or Chief Executive Officer is authorized and directed to execute an agreement with ICON Integration & Design, Inc. and any other documents which may be reasonably necessary to retain ICON Integration & Design, Inc. to provide data conversion services.

On motion made by Member _____, Seconded by Member _____, the foregoing Resolution was passed and adopted by the Board of the Sacramento County Employees' Retirement System this 21st day of December 21, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Secretary of the Board of the
Sacramento County Employees'
Retirement System

President of the Board of the
Sacramento County Employees'
Retirement System