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Attn: Mr. Donald G. Alexander
Director of Financial and Business Services
Washington Student Achievement Council
917 Lakeridge Way SW
P.O. Box 43430
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Emailed to: dona@wsac.wa.gov

March 24, 2016

Dear Mr. Alexander,

Thank you for providing us with the opportunity to respond to the Request for Proposal issued on February 17th, 2016, (RFP No. 17-RFP-078) and the subsequent amendment (Amendment 1) issued on March 8th for the Program Administration to the Washington State Opportunity Scholarship Board. We appreciate you providing answers to some of our questions during the open question period. We also appreciated receiving the responses to questions that were posed by the other prospective bidders.

As a national leader in the community foundation field with 70 years of experience, managing \$850m+ in assets, with 1,200 philanthropic funds, including 50 discrete scholarships programs, Seattle Foundation is well positioned to provide the knowledge and expertise to support the program administration of the Washington State Opportunity Scholarship.

That said, pursuant to the noted Complaint Procedure, I am submitting this letter to bring to your attention challenges we have with submitting a fully substantiated proposal, primarily due to inadequate or insufficient information being made publicly available to provide sufficiently informed estimates on the scope of work being asked of the prospective new Program Administrator, specifically:

1. Under 1.2.3 *Core Responsibilities*
 - a) We have received conflicting information about the need to provide occupancy for the WSOS Team, and no information about office space needs. The term “facilities” was used in the initial RFP, and Amendment 1 states that this refers to “occupancy”. There is a wide range of cost differentials between these two terms and thus it is not clear what we should be estimating for the budget with respect to occupancy requirements.
 - b) During the open question period, the response to our question about how the WSOS legacy data, especially scholarships-in-process, will be provided to the new Program Administrator for migration onto new technology infrastructure was insufficient (The response we

received was “*We have yet to determine this process.*”). This could be a very complex and time-consuming migration and without any specifics, we are not in a position to accurately project the true cost, which, in addition to all of the other known direct and one-time costs, could well exceed the cap of the allotted \$500k budget.

2. Under 1.2.4 *Additional Opportunities for Partnership*

- a) There is no mention of the potential to partner with WSOS on the asset management of the public and/or private funds. While we understand the state legislature requirements for the Washington State Investment Board oversight, judicious stewardship of assets is one of the core competencies of Seattle Foundation. Our solution for a scenario like this is to provide back-office administration for clients when we also provide asset management. We are open to having the investment managers be recommended by the client, which would permit the investment firm to be an eligible investment partner of Seattle Foundation. We believe that aligning both aspects of the program (scholarship administration and asset management) makes the partnership all the more effective. Without this aspect of the business relationship, it limits our ability to provide the optimal value at the most cost-effective rate. Is this option open for discussing after the RFP has been submitted?

My team and I are continuing to evaluate our ability to submit a strong proposal and your response to this letter will help determine our ultimate decision. We look forward to receiving your response.

Thank you in advance.

Yours sincerely,



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