SOLICITATION, OFFER AND AWARD

1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) | RATING | PAGE 1 OF 26 PAGES

2. CONTRACT NUMBER	3. SOLICITATION NUMBER	4. TYPE OF SOLICITATION	5. DATE ISSUED	6. REQUISITION/PURCHASE NUMBER
	TIB-2005-R-003	☐ SEALED BID (IFB) ☐ NEGOTIATED (RFP)	04/29/2005	

7. ISSUED BY CODE	8. ADDRESS OFFER TO (If other than Item 7)
FEDERAL RETIREMENT THRIFT INVESTMENT BOARD 1250 H STREET N.W., SUITE 200 WASHINGTON, DC 20005	SAME AS BLOCK 7

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and 5 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in BLOCK 7 until 04:00 (Hour) local time 06/01/2005 (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME	B. TELEPHONE (NO COLLECT CALLS) AREA CODE	NUMBER	EXT.	C. E-MAIL ADDRESS
	Robert Battersby	202	942-1693		RBATTER@tsp.gov

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OFFER *(Must be fully completed by offeror)*

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within 120 calendar days *(60 calendar days unless a different period is inserted by the offeror)* from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT *(See Section I, Clause No. 52.232-8)*	10 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS (%)

14. ACKNOWLEDGMENT OF AMENDMENTS *(The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated)*:	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER *(Type or print)*

15B. TELEPHONE NUMBER AREA CODE	NUMBER	EXT.	15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.	17. SIGNATURE	18. OFFER DATE
			☐		

AWARD *(To be completed by Government)*

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION

22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: ☐ 10 U.S.C. 2304(c) ( ) ☐ 41 U.S.C. 253(c) ( )

23. SUBMIT INVOICES TO ADDRESS SHOWN IN *(4 copies unless otherwise specified)* | ITEM

24. ADMINISTERED BY *(If other than Item 7)* CODE

25. PAYMENT WILL BE MADE BY CODE

26. NAME OF CONTRACTING OFFICER *(Type or print)*

27. UNITED STATES OF AMERICA

(Signature of Contracting Officer)

28. AWARD DATE

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

Section B – Supplies or Services and Prices/Costs

B.1. The Agency is seeking a contractor to provide ongoing expert consulting advice concerning certain aspects of its investment program and the procurement of investment services on a task order basis. **(NOTE: SUCCESSFUL OFFERORS UNDER THIS CONTRACT WOULD BE PROHIBITED FROM BIDDING FOR THE INVESTMENT MANAGEMENT OF ANY OF THE TSP INVESTMENT FUNDS.)**

B.2. Cost of Base Period and Options.

B.2.1. Because this contract may involve future tasks similar to those described in the statement of work, Offerors are asked to propose a single hourly rate for their work on any tasks that may be assigned under this contract. This single hourly rate should be based on the Offeror's best estimate of the occupational categories and skill levels to be provided. It should also be based on the Offeror's best estimate of proportionate use of these occupational categories and skill levels. The single hourly rate should include direct labor, appropriate overheads, general and administrative costs, and profit.

B.2.2. The contract will consist of a three year base period and two one year options. Rates may be proposed for each year of the base period. This allows rates to be adjusted annually on the anniversary of contract award.

Base Period	0001 Base Year 1 Hourly Rate	____________
Base Period	0002 Base Year 2 Hourly Rate	____________
Base Period	0003 Base Year 3 Hourly Rate	____________
Option Year 1	1001 Option Year 1 Hourly Rate	____________
Option Year 2	2001 Option Year 2 Hourly Rate	____________

B.3 TRAVEL. Estimated travel expenses shall be shown separately. Travel expenses for contractor personnel must have prior Agency approval and will be reimbursed in accordance with FAR 31.205-46, Travel Costs, and in accordance with the Federal Travel Regulations at 41 C.F.R. Part 301.

Section C – Description/Specifications/Work Statement

C.1. Background

C.1.1. The Thrift Savings Plan (TSP) is a daily valued, participant directed, defined contribution plan similar to private sector 401(k) plans. Civilian employees of the United States government and uniformed services members may participate. The Federal Retirement Thrift Investment Board (Agency) is an independent Federal Agency charged by statute with administering the TSP.

C.1.2. The TSP is the largest defined contribution plan in the world, with over 3.4 million participants and over $152 billion in assets as of December 31, 2004. Monthly contributions to the plan average $1.4

billion. The TSP currently has the following five investment funds, which are established by statute:

a. The Government Securities Investment Fund (G Fund) is invested in short-term nonmarketable U.S. Treasury securities that are specially issued to the TSP. The G Fund interest rate, set monthly, equals the average of market rates of return on U.S. Treasury marketable securities outstanding with four or more years to maturity. The G Fund balance was approximate $59 billion as of December 31, 2004.

b. The Fixed Income Index Investment Fund (F Fund) is invested in a portfolio of fixed income securities designed to track the Lehman Brothers U.S. Aggregate (LBA) index. The F Fund balance was approximately $10 billion as of December 31, 2004.

c. The Common Stock Index Investment Fund (C Fund) is invested in a portfolio of stocks designed to track the S&P 500 Index. The C Fund balance was approximately $66 billion as of December 31, 2004.

d. The Small Capitalization Stock Index Investment Fund (S Fund) is invested in a portfolio of stocks designed to track the Dow Jones Wilshire 4500 Completion Index. The S Fund balance was approximately $10 billion as of December 31, 2004.

e. The International Stock Index Investment Fund (I Fund) is invested in a portfolio of stocks designed to track Morgan Stanley's Europe, Australasia, Far East (EAFE) stock index. The I Fund balance was approximately $7 billion as of December 31, 2004.

C.1.3. Attachment B is the TSP Fund Information package, dated March 2005, which describes each of the investment funds and its performance in more detail. In mid-2005, the TSP plans to introduce five target date asset allocation funds ("lifecycle funds"). These lifecycle funds are asset allocation models composed entirely of combinations of the existing five TSP investment funds.

C.1.4. All five TSP investment funds are daily-valued with daily share prices. The G Fund is managed in-house by Agency staff. Assets of the other four investment funds are currently managed by Barclays Global Investors (BGI) and are invested in daily-valued collective investment trusts. Custodial services for BGI's collective trusts are provided by Investors Bank and Trust Company, through a subcontract with BGI. BGI operates a securities lending program, with the physical securities owned by the collective trusts. BGI shares securities lending income with the collective trusts. As a result, the investors in the trusts receive a portion of the securities lending income in the form of increases in fund share prices.

C.1.5. TSP contributions and other transactions, including interfund transfers, are processed each business day. TSP participants have a daily cutoff of 12 noon Eastern Time for making transactions to be posted at that day's closing share price. Daily trades are estimated between 12 noon and 2 pm eastern time, and the investment funds are invested on a "pre-notified" (rather than a "post-notified") basis).

There is considerable variation in the cash flows into and out of each of the investment funds on a daily basis. Attachment C is a table with information on average and maximum cash flows into and out of each of the investment funds during 2004.

C.1.6. Historically, TSP investment management expenses have been quite low. Attachment D is the TSP audited financial statements for 2004, which has a line showing the investment management expenses. Securities lending also provides substantial income to the TSP. In 2004, TSP funds received approximately $12 million in securities lending income.

C.1.7. TSP investment fund managers have always been selected through competitive procurement actions. These occurred most recently in 1999 for the S and I Funds and in 2000 for the F and C Funds. Implementation of the S and I Funds was delayed until May of 2001. The current investment management contracts are scheduled to expire as follows: C and F Funds on April 30, 2006; S and I Funds on December 31, 2006. Selection criteria for the most recent procurement actions for the F, C, S, and I Funds are attached as Attachment E.

C.2. Work To Be Performed

C.2.1. Interested Offerors must respond to all portions of the QUESTIONNAIRE FOR CONSULTING SERVICES, Attachment A, thereby providing a comprehensive description of their qualifications and experience to the Board. If an Offeror believes that its capabilities are limited to specific portions of the solicitation's requirements, the Offeror should so state; however, this will adversely affect your chances for award.

C.2.2. The Agency is seeking a contractor to provide ongoing expert consulting advice concerning certain aspects of its investment program and the procurement of investment services on a task order basis. Examples of areas where the Agency might seek advice are listed below. (Note: Successful Offerors under this contract would be prohibited from bidding for the investment management of any of the TSP investment funds.)

1. A risk assessment of the investment practices and securities lending practices of the current TSP investment management arrangement and of similar practices contemplated in the future.

2. Assistance in the selection of investment managers for the F, C, S, and I Funds, including:

    a. Appropriate indexes to follow;

    b. Appropriate minimum technical qualifications;

    c. Appropriate evaluation factors; and

    d. Evaluation of proposals.

3. A cost/benefit analysis of the use by the TSP of a separate account structure versus the use of commingled accounts for investing each of the TSP funds.

4. Whether the TSP should seek a custody relationship for one or more of the funds that is separate from the investment management function.

5. Whether the TSP should seek a contract for securities lending services for one or more of the funds that is separate from the investment management function.

C.2.3. The contractor shall accept responsibility as a fiduciary pursuant to § 8477 of Title 5 of the United States Code for its acts or omissions in connection with the advice provided to the Plan. The contractor shall comply with all fiduciary responsibilities prescribed by law.

Section D – Packaging and Marking

Not applicable.

Section E – Inspection and Acceptance

E.1. 52.252-2 Clauses Incorporated By Reference (Feb 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address:

http://www.acqnet.gov/far/

52.246-5 Inspection of Services-Cost-Reimbursement (Apr 1984)

Section F – Deliveries or Performance

F.1. DELIVERABLES Deliverables will be specified in the individual task orders.

F.2. PERFORMANCE Period of performance. The term of this contract is three years, with two one-year renewable options.

F.3. TIME OF DELIVERY. Time of delivery for any deliverables will be specified in the individual task orders.

F.4. 52.252-2 Clauses Incorporated By Reference (Feb 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address:

http://www.acqnet.gov/far/

52.242-15 Stop-Work Order (Aug 1989) *Alternate I (Apr 1984)*

Section G- Contract Administration Data

G.1. CONTRACTUAL INFORMATION

Contractual interpretation and assistance may be obtained by contacting:

Federal Retirement Thrift Investment Board
1250 H Street, N.W., Suite 200
Washington, DC 20005-3952

Attn: Robert Battersby
Phone: (202) 942-1693
E-Mail: RBATTER@tsp.gov

G.2. CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE

a. The Contracting Officer hereby designates the below named individual as the Contracting Officer's Technical Representative (COTR).

Name:	(To be completed at time of award)
Address:	Federal Retirement Thrift Investment Board 1250 H Street, N.W., Suite 200 Washington, DC 20005-3952
Phone:	(To be completed at time of award)

b. The COTR is responsible for administering the performance of work under this contract. In no event, however, will any understanding, agreement, modification, change order, or other matter deviating from the terms of this contract be effective or binding upon the Agency unless formalized by proper contractual documents executed by the Contracting Officer. The COTR is responsible for:

1. Monitoring the Contractor's progress, including the surveillance and assessment of performance, and recommending to the Contracting Officer changes in requirements;

2. Interpreting the scope of work;

3. Performing inspections and acceptances required by this contract; and,

4. Assisting the Contractor in the resolution of technical problems encountered during the performance of the contract.

c. The Contracting Officer is responsible for directing any changes in the terms, conditions, or amounts cited in the contract.

d. In order for the Contractor to rely upon guidance from the COTR, the guidance must:

1. Be consistent with the description of work set forth in the contract;

2. Not constitute new assignments of work or a change to the expressed terms, conditions, or specifications incorporated into the contract;

3. Not constitute a basis for an extension to the period of performance or contract delivery schedule; and,

4. Not constitute a basis for any increase in the contract cost.

e. The COTR may be changed by the Agency at any time without prior notice to the Contractor. Written notice to the Contractor will be given by the Contracting Officer to effect any change in COTR.

f. If in the opinion of the Contractor, any instruction or direction issued by the COTR is not provided for in any of the provisions of the Contract, the Contractor shall not proceed but shall notify the Contracting Officer in writing within five (5) working days after the receipt of any such instruction or direction and shall request the Contracting Officer to modify the contract accordingly. Upon receiving such notification from the Contractor, the Contracting Officer shall issue an appropriate contract modification or advise the Contractor in writing that, in his/her opinion, the technical direction is within the scope of this clause and does not constitute a change under the Changes Clause of the contract. The Contractor shall thereupon proceed immediately with the direction given.

g. A failure of the parties to agree upon the nature of the instruction or direction or upon the contract action to be taken with respect thereto shall be subject to the provisions of the contract clause titled "Disputes."

G.3. SUBMISSION OF INVOICES

Invoices submitted for payment shall conform to the following requirements:

a. All invoices must contain contractor’s EIN number.

b. All invoices must contain a “remit to” address.

c. Submit all invoices to:

Federal Retirement Thrift Investment Board
1250 H Street, N.W., Suite 200
Washington, DC 20005-3952
Attn: Office of Accounting

G.4. INCORPORATION OF CONTRACTOR'S PROPOSAL

It is understood and agreed that the Contractor shall, in meeting the requirements of this contract, perform the work in accordance with its proposal to the Board provided however, that to the extent that any provisions of the Clauses set forth herein are in conflict or inconsistent with any provisions of said proposal, the provisions of this contract shall be controlling and shall supersede the provisions of said proposal.

G.5. ORDER OF PRECEDENCE

The order of precedence for interpretation of the terms, conditions and requirements of this contract shall be as follows:

a. Section A of the contract;
b. Sections B, C, E, F, G, and H of the contract;
c. Section I of the contract; and,
d. Contractor's proposal, as clarified and amended.

Section H – Special Contract Requirements

H.1. BUSINESS PRACTICES AND CONTRACT REQUIREMENTS

It is expected that the practices described by the Contractor in its response to the Request for Proposals shall be employed in its performance of the requirements of Section C of the contract. Written notice must be received in advance by the Contracting Officer for approval of any changes to these practices.

H.2. ADVERTISING AND RELEASING OF INFORMATION

The contractor must not publicize, advertise, or otherwise announce its selection by the Agency without the prior written approval of the Agency. Also, the Contractor may not release information or report on its performance under the contract without the prior written approval of the Agency.

H.3. KEY PERSONNEL

a. The Contractor must include in its proposal, by name and capacity, the key personnel to be assigned to perform and carry out all phases of work under this contract. The Contractor’s key personnel include the following:

Name	Capacity

b. The individuals named above are considered key personnel and are essential for the successful completion of all work assigned under this contract. In the event any individual on the list of key personnel is to be removed or diverted from this contract, the Contractor must (1) notify the Contracting Officer; (2) supply written justification as to why the individual(s) is being removed or diverted; and, (3) provide resume of the proposed substitute or replacement including the education, work experience, etc., of each new person for Agency approval. All notifications and other information must be submitted to the Contracting Officer at least 14 calendar days in advance of the action.

c. The Contractor must not, under any circumstances, remove or divert key personnel unless prior written authorization has been granted by the Contracting Officer. The person replacing the key person must have the same or higher qualifications and experience as the person replaced.

H.4. REIMBURSEMENT OF TRAVEL EXPENSES

Travel expenses incurred under this contract and invoiced may not exceed the applicable Federal Travel Regulations.

H.5. CONFIDENTIAL INFORMATION

All information from data files on participant accounts provided to the contractor is confidential and is subject to the Privacy Act. The Contractor and contractor personnel shall maintain this information in strict confidence and shall not disclose this information, or any information obtained as the result of its performance of this contract, to any person or entity, other than employees or bonafide contractors of the Federal Retirement Thrift Investment Board, without the prior written approval of the Agency.

The contractor and contractor personnel shall not disclose this information to any person or entity or otherwise make any improper use of this information during or after the performance period of this contract. The contractor and contractor personnel shall maintain this information in strict confidence and shall make no entry into data files, except as necessary in the performance of the contract. The contractor and contractor personnel and their successors are prohibited forever from using this information for their personal or business gain, personally or for another, directly or indirectly, without prior written approval of the Agency. This provision, or a provision with an identical effect, shall be placed in any subcontracts.

H.6. DISPUTES (JULY 2002)

(a) Reserved.

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

(c) “Claim,” as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding $100,000 is not a claim under the Act until certified. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d)(1) A claim by the Contractor shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Federal Retirement Thrift Investment Board (Agency) against the Contractor shall be subject to a written decision by the Contracting Officer.

(2)(i) The Contractor shall provide the certification specified in paragraph (d)(2)(iii) of this clause when submitting any claim exceeding $100,000.

(ii) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

(iii) The certification shall state as follows: “I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Agency is liable; and that I am duly authorized to certify the claim on behalf of the Contractor.”

(3) The certification may be executed by any person duly authorized to bind the Contractor with respect to the claim.

(e) For Contractor claims of $100,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over $100,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

(f) The Contracting Officer’s decision shall be final unless the Contractor requests reconsideration by the Execuitve Director (or designee), the decision on which shall be final.

(g) If the claim by the Contractor is submitted to the Contracting Officer or a claim by the Government is presented to the Contractor, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the Contractor refuses an offer for ADR, the Contractor shall inform the Contracting Officer, in writing, of the Contractor’s specific reasons for rejecting the offer.

(h) The Agency shall pay interest on the amount found due and unpaid from (1) the date that the Contracting Officer receives the claim (certified, if required); or (2) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the perfected claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

(i) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under or relating to the contract, and comply with any decision of the Contracting Officer.

Section I – Contract Clauses

52-215-19 Notification of Ownership Changes. (OCT 1997)

(a) The Contractor shall make the following notifications in writing:
(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Contracting Officer (CO) within 30 days.
(2) The Contractor shall also notify the CO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.
(b) The Contractor shall—
(1) Maintain current, accurate, and complete inventory records of assets and their costs;
(2) Provide the CO or designated representative ready access to the records upon request;
(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and
(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.
(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

52.222-39 Notification of Employee Rights Concerning Payment of Union Dues or Fees. (DEC 2004)

(a) Definition. As used in this clause—
"United States" means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.
(b) Except as provided in paragraph (e) of this clause, during the term of this contract, the Contractor shall post a notice, in the form of a poster, informing employees of their rights concerning union membership and payment of union dues and fees, in conspicuous places in and about all its plants and offices, including all places where notices to employees are customarily posted. The notice shall include the following information (except that the information pertaining to National Labor Relations Board shall not be included in notices posted

in the plants or offices of carriers subject to the Railway Labor Act, as amended (45 U.S.C. 151-188)).

Notice to Employees

Under Federal law, employees cannot be required to join a union or maintain membership in a union in order to retain their jobs. Under certain conditions, the law permits a union and an employer to enter into a union-security agreement requiring employees to pay uniform periodic dues and initiation fees. However, employees who are not union members can object to the use of their payments for certain purposes and can only be required to pay their share of union costs relating to collective bargaining, contract administration, and grievance adjustment.

If you do not want to pay that portion of dues or fees used to support activities not related to collective bargaining, contract administration, or grievance adjustment, you are entitled to an appropriate reduction in your payment. If you believe that you have been required to pay dues or fees used in part to support activities not related to collective bargaining, contract administration, or grievance adjustment, you may be entitled to a refund and to an appropriate reduction in future payments.

For further information concerning your rights, you may wish to contact the National Labor Relations Board (NLRB) either at one of its Regional offices or at the following address or toll free number:

National Labor Relations Board
Division of Information
1099 14th Street, N.W.
Washington, DC 20570
1-866-667-6572
1-866-316-6572 (TTY)

To locate the nearest NLRB office, see NLRB's website at http://www.nlrb.gov.

(c) The Contractor shall comply with all provisions of Executive Order 13201 of February 17, 2001, and related implementing regulations at 29 CFR Part 470, and orders of the Secretary of Labor.

(d) In the event that the Contractor does not comply with any of the requirements set forth in paragraphs (b), (c), or (g), the Secretary may direct that this contract be cancelled, terminated, or suspended in whole or in part, and declare the Contractor ineligible for further Government contracts in accordance with procedures at 29 CFR Part 470, Subpart B—Compliance Evaluations, Complaint Investigations and

Enforcement Procedures. Such other sanctions or remedies may be imposed as are provided by 29 CFR Part 470, which implements Executive Order 13201, or as are otherwise provided by law.

(e) The requirement to post the employee notice in paragraph (b) does not apply to—

(1) Contractors and subcontractors that employ fewer than 15 persons;

(2) Contractor establishments or construction work sites where no union has been formally recognized by the Contractor or certified as the exclusive bargaining representative of the Contractor's employees;

(3) Contractor establishments or construction work sites located in a jurisdiction named in the definition of the United States in which the law of that jurisdiction forbids enforcement of union-security agreements;

(4) Contractor facilities where upon the written request of the Contractor, the Department of Labor Deputy Assistant Secretary for Labor-Management Programs has waived the posting requirements with respect to any of the Contractor's facilities if the Deputy Assistant Secretary finds that the Contractor has demonstrated that—

(i) The facility is in all respects separate and distinct from activities of the Contractor related to the performance of a contract; and

(ii) Such a waiver will not interfere with or impede the effectuation of the Executive order; or

(5) Work outside the United States that does not involve the recruitment or employment of workers within the United States.

(f) The Department of Labor publishes the official employee notice in two variations; one for contractors covered by the Railway Labor Act and a second for all other contractors. The Contractor shall—

(1) Obtain the required employee notice poster from the Division of Interpretations and Standards, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-5605, Washington, DC 20210, or from any field office of the Department's Office of Labor-Management Standards or Office of Federal Contract Compliance Programs;

(2) Download a copy of the poster from the Office of Labor-Management Standards website at http://www.olms.dol.gov; or

(3) Reproduce and use exact duplicate copies of the Department of Labor's official poster.

(g) The Contractor shall include the substance of this clause in every subcontract or purchase order that exceeds the simplified acquisition threshold, entered into in connection with this contract, unless exempted by the Department of Labor Deputy Assistant Secretary for Labor-Management Programs on account of special circumstances in the national interest under authority of 29 CFR 470.3(c). For indefinite quantity subcontracts, the Contractor shall include the substance of this clause if the value of orders in any calendar year of the subcontract is expected to exceed the simplified acquisition threshold. Pursuant to 29 CFR Part 470, Subpart B—Compliance Evaluations, Complaint Investigations and Enforcement Procedures, the Secretary of

Labor may direct the Contractor to take such action in the enforcement of these regulations, including the imposition of sanctions for noncompliance with respect to any such subcontract or purchase order. If the Contractor becomes involved in litigation with a subcontractor or vendor, or is threatened with such involvement, as a result of such direction, the Contractor may request the United States, through the Secretary of Labor, to enter into such litigation to protect the interests of the United States.

52.252-2 Clauses Incorporated By Reference (Feb 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address:

http://www.acqnet.gov/far/

52.202-1	Definitions. (Jul 2004)
52.203-3	Gratuities. (Apr 1984)
52.203-5	Covenant Against Contingent Fees. (Apr 1984)
52.203-6	Restrictions on Subcontractor Sales to the Government. (Jul 1995)
52.203-7	Anti-Kickback Procedures. (Jul 1995)
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity. (Jan 1997)
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity. (Jan 1997)
52.203-12	Limitation on Payments to Influence Certain Federal Transactions. (Jun 2003)
52.204-4	Printed or Copied Double-Sided on Recycled Paper.(Aug 2000)
52.204-7	Central Contractor Registration. (Oct 2003)
52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment. (Jan 2005)
52.215-2	Audit and Records- Negotiation. (Jun 1999)
52.215-8	Order of Precedence- Uniform Contract Format. (Oct 1997)
52-215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions. (Oct 1997)
52.216-7	Allowable Cost and Payment. (Dec 2002)
52.216-8	Fixed Fee. (Mar 1997)
52.217-8	Option to Extend Services. (Nov 1999)
52.217-9	Option to Extend the Term of the Contract. (Mar 2000)
52.219-8	Utilization of Small Business Concerns. (Jan 2002)
52.222-1	Notice of the Government of Labor Disputes. (Feb 1997)
52.222-2	Payment for Overtime Premiums. (July 1990)
52.222-3	Convict Labor. (Jun 2003)
52.222-21	Prohibition of Segregated Facilities. (Feb 1999)
52.222-26	Equal Opportunity. (Apr 2002)
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans. (Dec 2001)
52.222-36	Affirmative Action for Workers with Disabilities. (Jun 1998)

52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans. (Dec 2001)
52.223-6	Drug-Free Workplace. (May 2001)
52.224-1	Privacy Act Notification. (Apr 1984)
52.224-2	Privacy Act. (Apr 1984)
52.225-13	Restrictions on Certain Foreign Purchases.(Dec 2003)
52.225-16	Sanctioned European Union Country Services. (Feb 2000)
52.227-3	Patent Indemnity. (Apr 1984)
52.227-14	Rights in Data-General. (Jun 1987)
52.227-17	Rights in Data-Special Works. (Jun 1987)
52.227-23	Rights to Proposal Data (Technical) (Jun 1987)
52.228-7	Insurance-Liability to Third Persons. (Mar 1996)
52.232-17	Interest. (Jun 1996)
52.232-20	Limitation of Cost. (Apr 1984)
52.232-22	Limitation of Funds. (Apr 1984)
52.232-23	Assignment of Claims. (Jan 1986)
52.232-25	Prompt Payment. (Oct 2003) *Alternate I. (Feb 2002)*
52.232-34	Payment by Electronic Funds Transfer-Other than Central Contractor Registration. (May 1999)
52.233-4	Applicable Law for Breach of Contract Claim. (Oct 2004)
52.242-1	Notice of Intent to Disallow Costs. (Apr 1984)
52.242-4	Certification of Final Indirect Costs. (Jan 1997)
52.242-13	Bankruptcy. (Jul 1995) *Alternate I. (Apr 1984)*
52.244-2	Subcontracts. (Aug 1998) *Alternate II (Aug 1998)*
52.244-5	Competition in Subcontracting. (Dec 1996)
52.244-6	Subcontracts for Commercial Items. (Dec 2004)
52.245-5	Government Property (Cost-Reimbursement, Time-and-Material or Labor-Hour Contracts). (May 2004)
52.246-25	Limitation of Liability Services. (Feb 1997)
52.249-6	Termination (Cost-Reimbursement). (May 2004)
52.249-14	Excusable Delays. (Apr 1984)
52.252-1	Computer Generated Forms. (Jan 1991)

Section J – List of Attachments

Attachment A - Questionnaire For Consulting Services
Attachment B - TSP Fund Information Package
Attachment C - 2004 Investment Funds Cash Flow Table
Attachment D - 2004 TSP Audited Financial Statements
Attachment E - F, C, S, and I Funds Procurement Selection Criteria

Section K – Representations, Certifications, and Other Statements of Offerors

52.204-8 Annual Representations and Certifications (Jan 2005)

(a)(1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (b) of this provision applies. (2) If the clause at 52.204-7 is not included in this solicitation, and the Offeror is currently registered in CCR, and has completed the ORCA electronically, the Offeror may choose to use paragraph (b) instead of completing the corresponding individual representations and certifications in the solicitation. The Offeror shall indicate which option applies by checking one of the following boxes:

[ ] (i) Paragraph (b) applies.

[ ] (ii) Paragraph (b) does not apply and the Offeror has completed the individual representations and certifications in the solicitation.

(b) The Offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at http://orca.bpn.gov. After reviewing the ORCA database information, the Offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [Offeror to insert changes, identifying change by clause number, title, date]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR CLAUSE #	TITLE	DATE	CHANGE
____________	_________	_____	_______

Any changes provided by the Offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters. (Dec 2001)

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that—

(i) The Offeror and/or any of its Principals—

(A) Are ___ are not ___ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal Agency;

(B) Have ___ have not ___, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and (C) Are ___ are not ___ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with,

commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.
(ii) The Offeror has ___ has not ___, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal Agency.
(2) “Principals,” for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror’s responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.
(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

52.215-6   Place of Performance. (Oct 1997)

(a) The Offeror or respondent, in the performance of any contract resulting from this solicitation, ___ intends, ___ does not intend [check applicable block] to use one or more plants or facilities located at a different address from the address of the Offeror or respondent as indicated in this proposal or response to request for information.

(b) If the Offeror or respondent checks “intends” in paragraph (a) of this provision, it shall insert in the following spaces the required information:

PLACE OF PERFORMANCE (STREET ADDRESS, CITY, STATE, COUNTY, ZIP CODE)	NAME AND ADDRESS OF OWNER AND OPERATOR OF THE PLANT OR FACILITY IF OTHER THAN OFFEROR OR RESPONDENT
______________________	_________________________
______________________	_________________________

52.219-1 Small Business Program Representations. (May 2004)

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is ________________ [insert NAICS code].
(2) The small business size standard is _____________ [insert size standard].
(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
(b) Representations.
(1) The Offeror represents as part of its offer that it ___ is, ___ is not a small business concern.
(2) [Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.] The Offeror represents, for general statistical purposes, that it ___ is, ___ is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.
(3) [Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.] The Offeror represents as part of its offer that it ___ is, ___ is not a women-owned small business concern.
(4) [Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.] The Offeror represents as part of its offer that it ___ is, ___ is not a veteran-owned small business concern.
(5) [Complete only if the Offeror represented itself as a veteran-owned small business concern in paragraph (b)(4) of this provision.] The Offeror represents as part of its offer that it ___ is, ___ is not a service-disabled veteran-owned small business concern.
(6) [Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.] The Offeror represents, as part of its offer, that—

(i) It ___ is, ___ is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR Part 126; and

(ii) It ___ is, ___ is not a joint venture that complies with the requirements of 13 CFR Part 126, and the representation in paragraph (b)(6)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. [The Offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: __________.] Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(c) Definitions. As used in this provision—

"Service-disabled veteran-owned small business concern"—

(1) Means a small business concern—

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) "Service-disabled veteran" means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern—

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern—

(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.
(d) Notice.
(1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.
(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall—
(i) Be punished by imposition of fine, imprisonment, or both;
(ii) Be subject to administrative remedies, including suspension and debarment; and
(iii) Be ineligible for participation in programs conducted under the authority of the Act.

52.227-15 Representation of Limited Rights Data and Restricted Computer Software. (May 1999)

(a) This solicitation sets forth the work to be performed if a contract award results, and the Federal Retirement Thrift Investment Board's (Agency's) known delivery requirements for data (as defined in FAR 27.401). Any resulting contract may also provide the Agency the option to order additional data under the Additional Data Requirements clause at 52.227-16 of the FAR, if included in the contract. Any data delivered under the resulting contract will be subject to the Rights in Data—General clause at 52.227-14 that is to be included in this contract. Under the latter clause, a Contractor may withhold from delivery data that qualify as limited rights data or restricted computer software, and deliver form, fit, and function data in lieu thereof. The latter clause also may be used with its Alternates II and/or III to obtain delivery of limited rights data or restricted computer software, marked with limited rights or restricted rights notices, as appropriate. In addition, use of Alternate V with this latter clause provides the Agency the right to inspect such data at the Contractor's facility.
(b) As an aid in determining the Agency's need to include Alternate II or Alternate III in the clause at 52.227-14, Rights in Data—General, the Offeror shall complete paragraph (c) of this provision to either state that none of the data qualify as limited rights data or restricted computer software, or identify, to the extent feasible, which of the data qualifies as limited rights data or restricted computer software. Any identification of limited rights data or

restricted computer software in the Offeror’s response is not determinative of the status of such data should a contract be awarded to the Offeror.

(c) The Offeror has reviewed the requirements for the delivery of data or software and states [*Offeror check appropriate block*]—

o None of the data proposed for fulfilling such requirements qualifies as limited rights data or restricted computer software.

o Data proposed for fulfilling such requirements qualify as limited rights data or restricted computer software and are identified as follows:

____

____

____

NOTE: “Limited rights data” and “Restricted computer software” are defined in the contract clause entitled “Rights in Data—General.”

K.1. 52.252-1 Solicitation Provisions Incorporated by Reference (Feb 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address:

http://www.acqnet.gov/far/

52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions. (Apr 1991)

52.204-5 Women Owned Business (Other Than Small Business). (May 1999)

52.222-38 Compliance with Veterans’ Employment Reporting Requirements. (Dec 2001)

Section L – Instructions, Conditions, and Notices to Offerors

L.1. SUBMISSION OF PROPOSAL The Offeror must provide an original and five (5) copies of the technical proposal and an original and three (3) copies of the price proposal. Cost/price data shall not be included in the technical proposal. The price proposal must be submitted under a separate cover. This will be a best value award.

a. Technical Proposal. The technical proposal must be limited to 50 pages (text to be single spaced, no less than 10-pitch font), 8-1/2” X 11” white paper (no less than 20 lb. copy paper). Any pages beyond the 51st will not be reviewed (resumes are excluded from the page count).

Attachment A provides all the questions you are required to answer in your technical proposal. Present your comprehensive response to the questions based on information contained in the Statement of Work. All questions should be addressed completely and concisely and in the order presented in Attachment A. If an alternative method is proposed to a requirement, provide the proposed change and the rationale. Appendices should be used prudently and only when a detailed response is impractical. Ambiguous statements such as “all reasonable efforts…” will not be acceptable.

b. Cost/Price Proposal. Must be limited to 25 pages (see further specifications in paragraph a. above).

1. Identify the schedule of fees as it relates to the services to be provided. The cost structure should indicate cost of services and include a cost breakout for any optional program components available.

2. Provide all prices associated with your services. List any and all costs and provide an explanation for the basis of the cost (e.g., if the charge is “per hour”, explain exactly how an hour is calculated, what is included in the charge, and where the information provided in your experience comes from.

3. Include travel and related charges that may be incurred during this project. All travel must be approved by the COTR in advance and will be reimbursed in accordance with Government travel regulations.

L.2. Due Date. The proposal packages should be received by the Agency no later than 4:00 PM Eastern Time, June 1, 2005. Address the package as follows:

Federal Retirement Thrift Investment Board
Attn: Mr. Robert Battersby
1250 H Street, NW
Washington, DC 20005-3952

To ensure the proposal packages arrives at the proper place on time and to prevent opening by unauthorized individuals, your proposal package must be identified on the wrapper as follows:

Proposal Submitted in Response to Solicitation
No. TIB-05-R-003
Package No. ____ of ____
Date: __________________

L.3. Bid and Proposal Costs. The Board will not reimburse Offerors for any expenses incurred in the preparation of proposals submitted in response to this RFP.

L.4. Billing. The awardee will be permitted to submit invoices monthly for incurred costs.

L.5. RFP Questions. All inquiries pertaining to this RFP must be made in writing via e-mail or letter and must be received by 4:00 PM on May 17, 2005. No other method will be accepted. The point of contact for all RFP inquiries is Robert Battersby, 202-942-1693, fax 202-942-1674, e-mail rbatter@tsp.gov.

L.6. THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD MAY, BY WRITTEN NOTICE TO THE OFFEROR, TERMINATE THE RIGHT OF THE OFFEROR TO PROCEED UNDER ANY CONTRACT THAT ARISES AS A RESULT OF THIS SOLICITATION IF IT IS FOUND THAT GRATUITIES, IN THE FORM OF ENTERTAINMENT, GIFTS OR OTHERWISE, WERE OFFERED OR GIVEN BY THE OFFEROR, OR ANY AGENT OR REPRESENTATIVE OF THE OFFEROR, TO ANY OFFICER OR EMPLOYEE OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD WITH THE INTENT TO SECURE FAVORABLE TREATMENT.

52.216-1 Type of Contract. (Apr 1984)

The Government contemplates award of a cost reimbursement contract resulting from this solicitation.

L.7. 52.252-1 Solicitation Provisions Incorporated by Reference (Feb 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address:

http://www.acqnet.gov/far/

52.204-6	Data Universal Numbering System (DUNS) Number. (Oct 2003)
52.215-1	Instructions to Offerors-Competitive. (Jan 2004)
52.215-16	Facilities Capital Cost of Money. (Jun 2003)
52.237-10	Identification of Uncompensated Overtime. (Oct 1997)

Section M – Evaluation Factors for Award

M.1. EVALUATION OF OFFERS. This section sets forth the criteria that will be used for the evaluation of each timely offer to determine the successful Offeror. The evaluation of offers will consist of a technical and cost evaluation. Only proposals deemed to be technically acceptable will receive further consideration. The Agency is committed to providing the highest level of customer service and satisfaction.

Offerors should be aware of the fact that only the highest caliber of quality and service will be accepted.

M.2. Procedure. The Agency will select an Offeror for award in accordance with the guidance in FAR Part 15, the Agency's Directive No. 12A, and the terms of this solicitation.

M.3. Minimum Technical Requirements. The technical proposal must demonstrate compliance with the minimum technical factors listed below in order to be considered for award. Proposals which do not conform to the technical requirements of this section will be rejected by the Technical Evaluation Panel (TEP) before technical evaluation.

Through the answers provided to the questions in Attachment A, Offerors must demonstrate and certify compliance with the following minimum criteria:

1. Within the past five years, the Offeror must have provided investment consulting advice to at least two clients, each having over $5 billion in indexed investment assets.

2. Within the past five years, the Offeror has performed risk analyses of investment practices or securities lending practices for at least two clients, each having over $1 billion in investment assets.

3. Within the past five years, the Offeror must have assisted at least two clients, each having over $500 million in indexed investment assets, in establishing criteria for searching for and selecting an investment manager for those assets.

4. Within the past five years, the Offeror must have provided advice to at least one client with over $100 million in indexed investment assets concerning appropriate custody arrangements for the client's indexed investment assets.

5. Within the past five years, the Offeror must have provided advice to at least one client with over $100 million in indexed investment assets concerning whether the client should use separate or commingled accounts for its indexed investment assets.

6. Within the past five years, the Offeror must have provided advice to at least one client with over $100 million in indexed investment assets concerning whether and how the client should lend its securities.

7. The firm must have a staff member available to be assigned to the project who is a certified Financial Risk Manager.

M.4. Technical evaluation criteria – 100 points

1. Subject matter experience – 50 points.

Through evaluation of the Offeror's work product and interviews with clients of the Offeror, the Agency will evaluate client satisfaction and the Offeror's experience in providing investment consulting advice in a variety of areas to clients investing in daily-valued index funds with daily cash flows. Higher scores will be given to those Offerors whose past performance demonstrates that they have provided advice in the areas that relate to the tasks that are described in the statement of work, that they have provided advice to multiple clients, that they have clients with large amounts of indexed assets to invest, and that their clients have daily-valued, indexed funds with large daily cash flows.

2. Demonstrated knowledge of personnel – 30 points.

The key personnel assigned to the project by the Offeror should demonstrate, through their resumes and through personal interviews with the selection panel, that they have substantial knowledge of the subject matters described in the statement of work and that they have advised clients and prepared reports upon those matters for clients with daily-valued indexed investment funds similar to those offered by the TSP.

3. Organizational strength – 20 points.

Through review of materials submitted by the Offeror and through reference interviews, Offerors will be evaluated upon the size and depth of their organization, their ability to perform their own original research, the extent to which investment consulting forms the core of their business, their procedures for avoiding conflicts of interest, and their demonstrated business integrity.

M.5. Cost/Price Evaluation.

The Agency will make an award to the responsible Offeror whose proposal conforms to the solicitation and is most advantageous to the Board, cost/price and other factors considered. Technical quality will be considered substantially more important than price. As proposals become more equal in their technical merit, cost/price will become more important. Because this contract may involve future tasks similar to those in the statement of work, we are asking Offerors to propose a single hourly rate for their work on any tasks that may be assigned under this contract, and we will evaluate cost/price for each vendor based on that rate.

M.6. Award.

a. The Agency may reject any or all offers, accept other than the lowest cost/price offer, and waive informalities and minor irregularities in offers received.

b. The Agency may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the Offeror’s best terms from a cost/price and technical standpoint.

M.7. 52.252-1 Solicitation Provisions Incorporated by Reference (Feb 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address:

http://www.acqnet.gov/far/

52.217-5 Evaluation of Options. (July, 1990)

ATTACHMENT A

Please submit the following information:

1. List your firm's complete name, address, e-mail address, telephone and fax numbers.

2. Provide a brief history of your firm, your parent organization (if any), and any affiliated companies.

3. Describe the ownership structure of your firm, including specific details with regard to your parent and any affiliated companies.

4. Describe the lines of business of your firm, your parent organization and any affiliated companies.

5. State whether your firm, or its parent or affiliate, is a registered investment advisor with the SEC under the Investment Advisors Act of 1940.

6. Within the last five years, has your organization or an officer or principal been involved in any business litigation or other legal proceedings relating to your consulting activities? If so, provide an explanation and indicate the current status or disposition.

7. Please state any information concerning any potential conflicts of interest your firm, its parent or affiliate, or key personnel assigned to this account, might have in performing work for the Thrift Savings Plan. If any conflicts are identified, state how you would ensure that the conflicts do not affect your work on this account.

8. Provide the name and address of each client having indexed assets in the following amounts: 1) greater than $5 billion, 2) between $1 billion and $5 billion, 3) between $500 million and $1 billion, and 4) between $100 million and $500 million, for whom you have performed work in each of the following areas in the past five years:

   a) Establishment of criteria for selection of investment managers for index funds;

   b) Risk evaluation of investment, custody, and securities lending practices;

   c) The costs and benefits of using separate accounts versus using commingled trust funds for indexed assets;

   d) The most cost-effective way to structure a securities lending arrangement for large amounts of indexed assets with a minimum amount of risk; and

   e) Whether a custodian separate from the investment manager should be used for indexed assets.

9. For each client listed in response to request 8, provide the estimated daily cash flows into and out of all index funds invested for that client at the time your firm performed its services.

10. Provide the following reference information for at least three clients listed in response to request 8: name, address, and telephone number of a contact person; a description of work performed for the client; and, if available, a sample of work product demonstrating your expertise.

11. Identify and provide resumes for all key personnel who would be assigned to work on this account, including a description of each person's expertise in each of the following areas:

a) Selection of investment managers for index funds, including establishment of appropriate procurement criteria;

b) Risk evaluation of investment, custody, and securities lending practices;

c) The costs and benefits of using separate accounts versus using commingled trust funds;

d) The most cost-effective way to structure a securities lending arrangement with a minimum amount of risk; and

e) Whether a custodian separate from the investment manager should be used.

12. Describe your firm's approach to investment research. Please indicate relationships with researchers/academics outside of your firm. Give examples of how your research was used for other similar clients.

13. What tools do you use to evaluate managers and the market? Did you develop these tools in-house or purchase them from vendors?

14. Describe how your firm gathers, verifies, updates, and maintains data on investment managers and investment management practices. Describe any relationships your firm, or its parent or affiliates, may have with investment management firms that could result in compensation to your firm, its parent, or its affiliates. If any such relationships exist, describe how you would avoid a conflict of interest in providing the services described in the statement of work.

15. Describe in detail your firm's ongoing investment manager due diligence process. What are some of the key issues you examine?

16. Describe how your firm measures performance reporting and evaluation for index fund providers.

Attachment B

Thrift Savings Plan

Fund Information

March 2005

We're glad you asked . . .

. . . about the TSP investment funds. You're on your way to becoming an informed investor.

When you choose among the five funds, remember that **your investment allocation is the single most important factor** in determining the growth of your TSP account. As you read the fund descriptions, think about these points:

✓ **Consider both risk and return.** The F Fund (bonds) and the C, S, and I Funds (stocks) have higher potential returns than the risk-free G Fund (Government securities). But stocks and bonds also carry the risk of investment losses. On the other hand, investing entirely in the G Fund may not give you the returns you need to meet your savings goal.

✓ **You need to be comfortable with the amount of risk you expect to take.** Your investment comfort zone should allow you to use a "buy and hold" strategy so that you are not chasing market returns during upswings, or fleeing from certain funds during downswings.

✓ **You can reduce your overall risk by diversifying your account among the different TSP funds.** The five funds offer a broad range of investment options, including government securities, bonds, and domestic and foreign stocks. Generally, it's best not to put all your eggs in one basket.

✓ **The amount of risk you can sustain depends upon your investment time horizon.** The more time you have before you need to withdraw your account, the more risk you can take on. (This is because early losses can be offset by later gains.) As your time horizon shortens, you may need to modify your investment mix.

✓ **Periodically review your investment choices** and your account balance to make sure that the funds you chose are still appropriate for your situation. If not, rebalance your account to get the allocation you want.

For more information about TSP investment options, visit the Web site, **www.tsp.gov**. You can get recent and historical rates of return, use the calculators to estimate the effect of various rates of return on your account balance, and read TSP H*ighlights* articles about investing.

Remember, there is no guarantee that future rates of return will match historical rates.

Thrift Savings Plan

G FUND

Government Securities Investment Fund

Fund Information

Net Assets
as of December 31, 2004
$58.8 billion

2004 Administrative Expense Ratio
.06% (6 basis points)
$0.60 per $1,000
account balance

Asset Manager
Federal Retirement
Thrift Investment Board

Key Features

- The G Fund offers the opportunity to earn rates of interest similar to those of long-term Government securities but without any risk of loss of principal and very little volatility of earnings.
- The objective of the G Fund is to maintain a higher return than inflation without exposing the fund to risk of default or changes in market prices.
- The G Fund is invested in short-term U.S. Treasury securities specially issued to the TSP. Payment of principal and interest is guaranteed by the U.S. Government. Thus, there is no "credit risk."
- Earnings consist entirely of interest income on the securities.
- Interest on G Fund securities has outpaced inflation and 90-day T-bills.

Returns

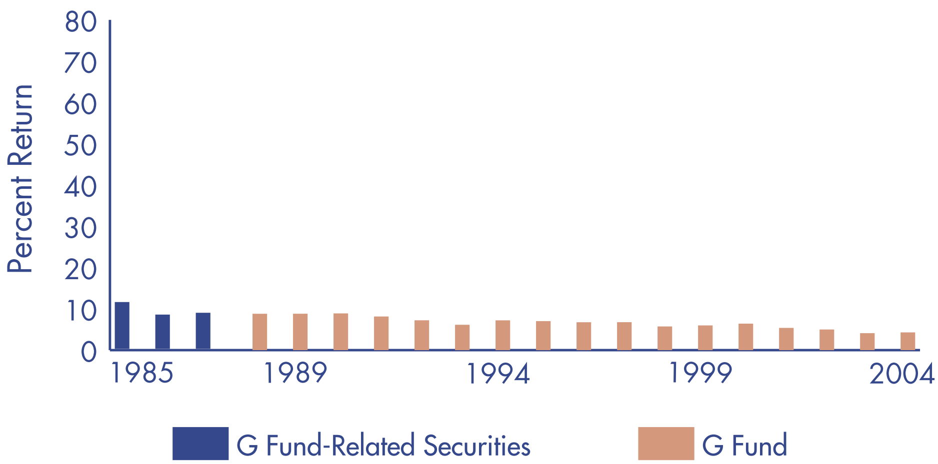
as of December 31, 2004

	G Fund[1]	G Fund-Related Securities[2]
1 Year	4.3	4.4
5 Year	5.0	5.0
10 Year	5.7	5.8
Since Inception April 1, 1987	6.7	6.8

[1]After expenses [2]Without deductions

G Fund Returns*

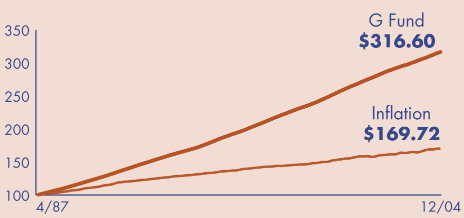
1985–2004



* For periods before the inception of the G Fund, the rate shown is the statutory rate (without deduction for administrative expenses).

Growth of $100

Since Inception



G Fund Facts

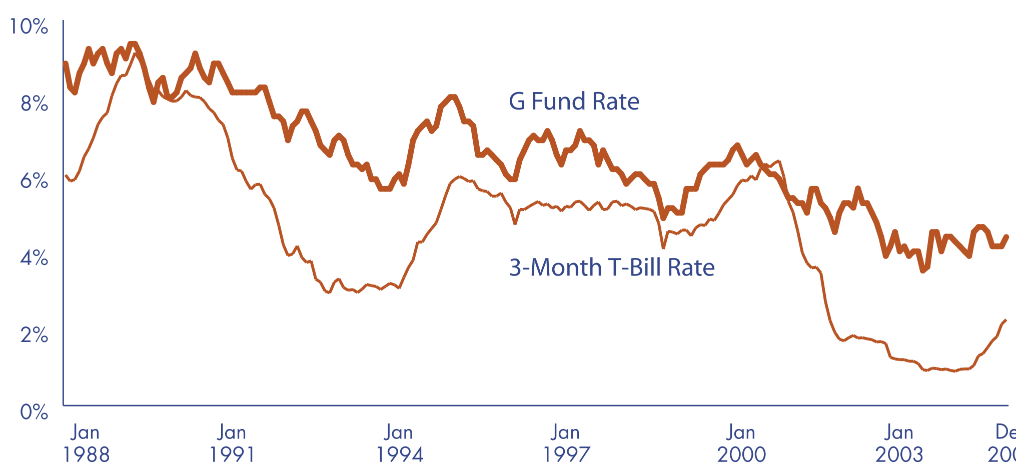
By law, the G Fund must be invested in nonmarketable U.S. Treasury securities specially issued to the TSP. The G Fund investments are kept by electronic entries which do not involve any transaction costs to the TSP. The G Fund rate is set once a month by the U.S. Treasury based on a statutorily prescribed formula (described below), and all G Fund investments earn that interest rate for the month. (The G Fund rate is also used in other Government programs, such as the Social Security and Medicare trust funds and the Civil Service Retirement and Disability Fund.)

The Board invests the G Fund exclusively in short-term securities (with maturities ranging from 1 day to 4 days over holiday weekends), but the securities earn a long-term interest rate. Because the Federal Retirement Thrift Investment Board pursues its strategy of investing the G Fund in short-term securities, the value of G Fund securities does not fluctuate; only the interest rate changes. Thus, when the monthly G Fund interest rate goes up, G Fund earnings accrue faster; when the G Fund interest rate declines, G Fund earnings accrue more slowly.

Calculation of G Fund Rate—G Fund securities earn a statutory interest rate equal to the average market yield on outstanding marketable U.S. Treasury securities with 4 or more years to maturity. The G Fund rate is calculated by the U.S. Treasury as the weighted average yield of approximately 70 U.S. Treasury securities on the last day of the previous month. The yield of each security has a weight in the G Fund rate calculation based on the market value of that security. (Market value is the outstanding dollar amount of the security measured at its current market price. The larger the dollar amount of a security outstanding, the larger its weight in the calculation.) The Treasury securities used in the G Fund rate calculation have a weighted average maturity of approximately 12 years.

G Fund Yield Advantage

January 1988–December 2004



The annualized G Fund interest rate averaged 1.9 percentage points (187 basis points) more than 3-month T-bill rates since January 1988.

The G Fund Yield Advantage—The G Fund rate calculation described above, along with the Board's policy of investing exclusively in short-term maturities, results in a long-term rate being earned on short-term securities. Because long-term interest rates are generally higher than short-term rates, G Fund securities usually earn a higher rate of return than do short-term marketable Treasury securities. In the chart above, the G Fund rate is compared with the rate of return on 3-month marketable Treasury securities (T-bills). From January 1988 through December 2004, the G Fund rate was, on average, 1.9 percentage points higher per year than the 3-month T-bill rate.

F FUND

Fixed Income Index Investment Fund

Thrift Savings Plan

Fund Information

Net Assets
as of December 31, 2004
$10.1 billion

2004 Administrative Expense Ratio
.05% (5 basis points)
$0.50 per $1,000
account balance

Number of Securities
3889

Average Duration
4.3 years

Average Coupon Rate
5.25%

Benchmark Index
Lehman Brothers U.S. Aggregate
bond index
www.lehman.com

Asset Manager
Barclays Global Investors

Returns

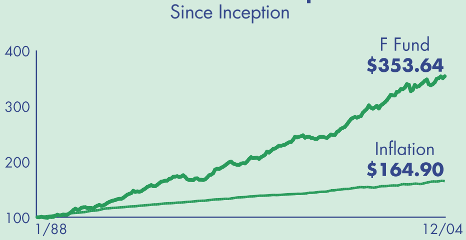
as of December 31, 2004

	F Fund[1]	LBA Index[2]
1 Year	4.3	4.3
5 Year	7.7	7.7
10 Year	7.7	7.7
Since Inception Jan. 29, 1988	7.7	8.1

[1]After expenses [2]Without deductions

Growth of $100

Since Inception

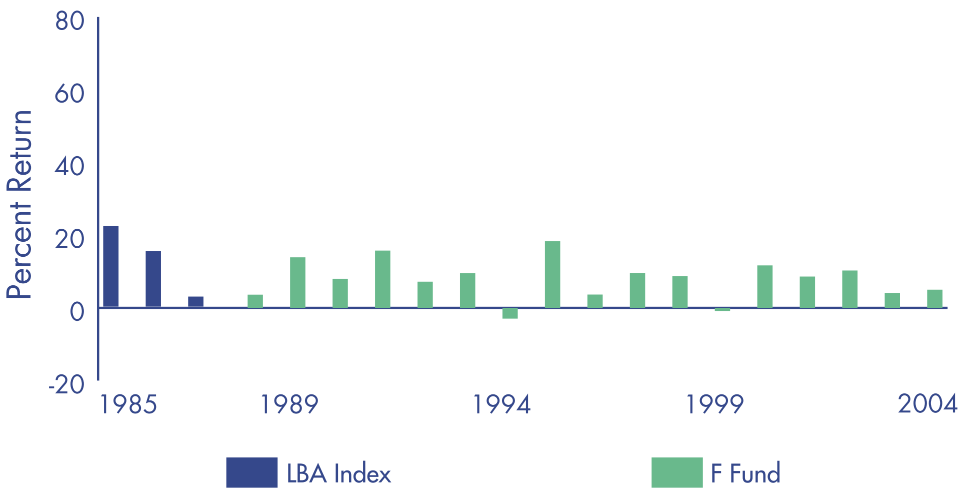


Key Features

- The F Fund offers the opportunity to earn rates of return that exceed those of money market funds over the long term (particularly during periods of declining interest rates), with relatively low risk.
- The objective of the F Fund is to match the performance of the Lehman Brothers U.S. Aggregate (LBA) index, a broad index representing the U.S. bond market.
- The risk of nonpayment of interest or principal (credit risk) is relatively low because the fund includes only investment-grade securities and is broadly diversified. However, the F Fund has market risk (the risk that the value of the underlying securities will decline) and prepayment risk (the risk that the security will be repaid before it matures).
- Earnings consist of interest income on the securities and gains (or losses) in the value of securities resulting from changing market interest rates.

F Fund Returns*

1985–2004

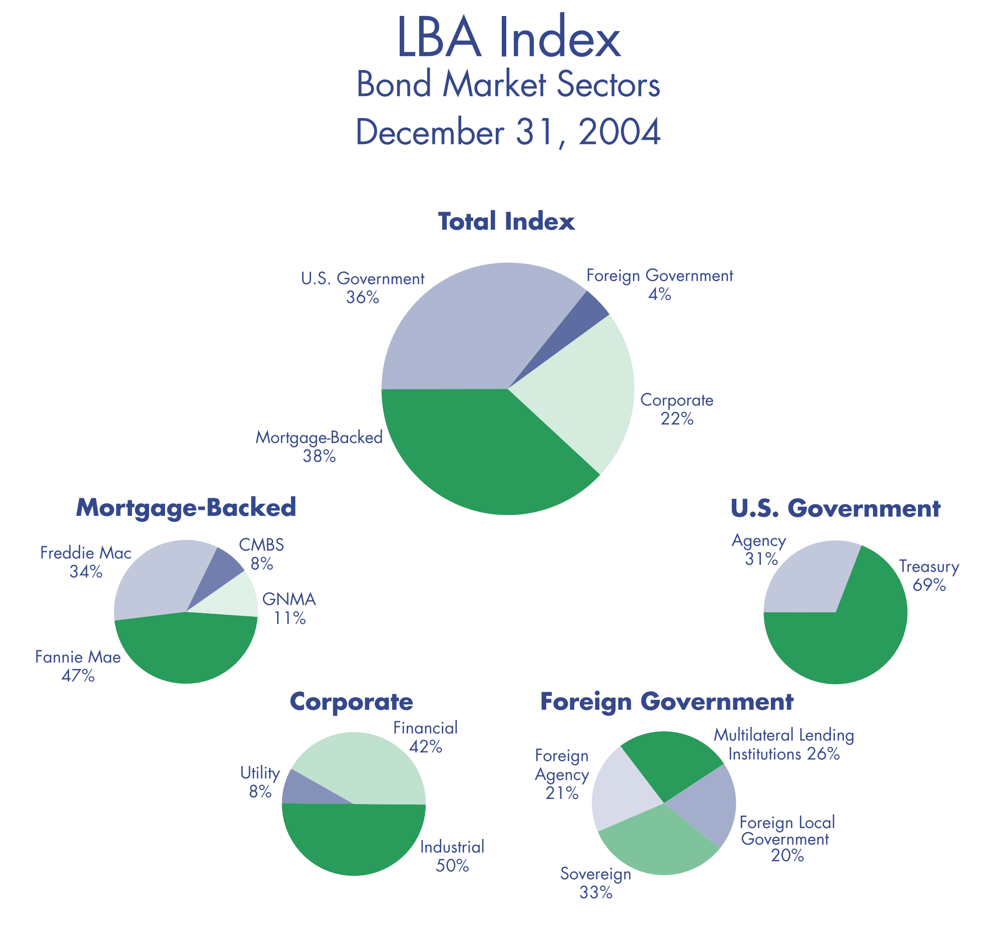


* For periods before the inception of the F Fund, the rate shown is the return of the LBA index (without deduction for management fees, trading costs, and administrative expenses).

F Fund Facts

By law, the F Fund must be invested in fixed-income securities. The Federal Retirement Thrift Investment Board has chosen to invest the F Fund in an index fund that tracks the Lehman Brothers U.S. Aggregate (LBA) index, a broadly diversified index of the U.S. bond market.

The **LBA index** consists of high quality fixed-income securities with maturities of more than one year. The index represents the U.S. Government, mortgage-backed securities, corporate, and foreign government sectors of the U.S. bond market. On December 31, 2004, the LBA index included 5,836 notes and bonds. The average LBA index coupon rate was 5.24%, which means that, on an annual basis, interest income equalled approximately 5.24% of the face value of the securities in the LBA index. The average duration of the LBA index was 4.3 years, which means that a 1% increase (decrease) in interest rates could be expected to result in a 4.3% decrease (increase) in the price of the security. New issues are added continuously to the LBA index, and older issues drop out as they reach maturity.



Barclays U.S. Debt Index Fund—The F Fund is invested in the Barclays U.S. Debt Index Fund. Because the LBA index contains such a large number of securities, it is not feasible for the Barclays U.S. Debt Index Fund to invest in each security in the index. Instead, Barclays selects a representative sample of the various types of mortgage-backed, U.S. Government, corporate, and foreign government securities included in the overall index. Within each sector, Barclays selects securities that, as a whole, are designed to match important index characteristics such as duration, yield, and credit rating. The performance of the U.S. Debt Index Fund is evaluated on the basis of how closely its returns match those of the LBA index.

The F Fund invests in the Barclays U.S. Debt Index Fund by purchasing shares of the Barclays U.S. Debt Index Fund "E," which in turn holds shares of the Barclays U.S. Debt Index Master Fund. As of December 31, 2004, F Fund holdings constituted $9.7 billion of the U.S. Debt Index Master Fund, which itself held $26.3 billion in securities.

Thrift Savings Plan

C FUND

Common Stock Index Investment Fund

Fund Information

Net Assets
as of December 31, 2004
$65.7 billion

2004 Administrative Expense Ratio
.06% (6 basis points)
$0.60 per $1,000
account balance

Benchmark Index
Standard & Poor's 500
stock index
www.standardandpoors.com

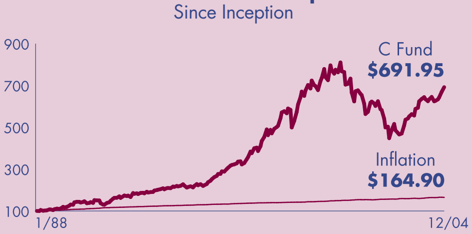
Asset Manager
Barclays Global Investors

Returns
as of December 31, 2004

	C Fund[1]	S&P 500 Index[2]
1 Year	10.8	10.9
5 Year	–2.3	–2.3
10 Year	12.0	12.1
Since Inception Jan 29, 1988	12.1	12.4

[1]After expenses [2]Without deductions

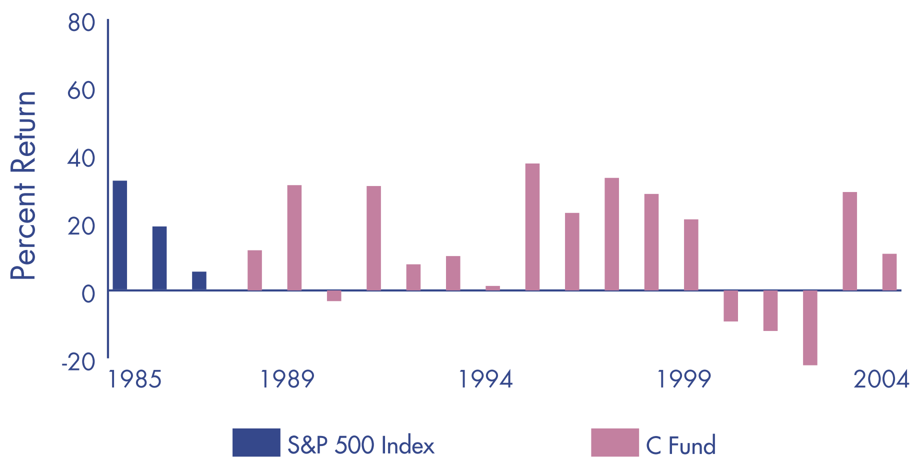
Growth of $100
Since Inception



Key Features

- The C Fund offers the opportunity to earn a potentially high investment return over the long term from a broadly diversified portfolio of stocks of large and medium-size U.S. companies.
- The objective of the C Fund is to match the performance of the S&P 500 index, a broad market index made up of stocks of 500 large to medium-size U.S. companies.
- There is a risk of loss if the S&P 500 index declines in response to changes in overall economic conditions (market risk).
- Earnings consist of gains and losses in the prices of stocks, and dividend income.

C Fund Returns*
1985–2004



* For periods before the inception of the C Fund, the rate shown is the return of the S&P 500 index (without deduction for management fees, trading costs, or administrative expenses).

S&P 500 Top Ten

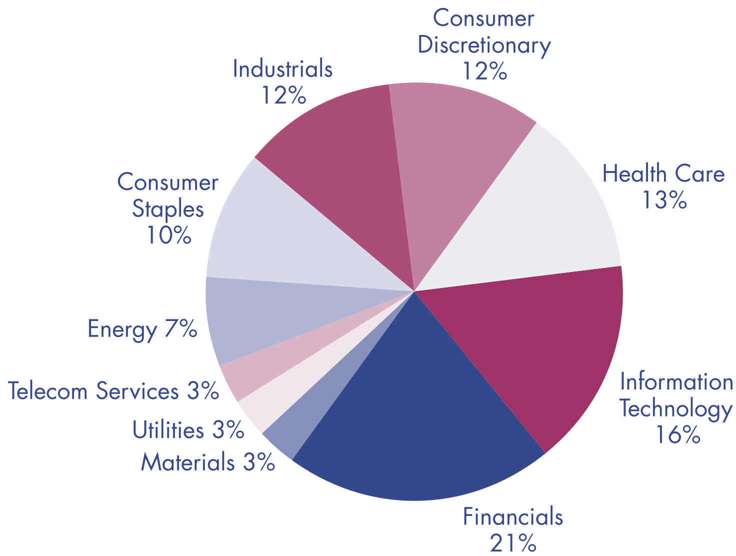
Company	Percent of Index
General Electric	3.42
Exxon Mobil Corporation	2.93
Microsoft Corporation	2.57
Citigroup, Inc.	2.22
Wal-Mart Stores, Inc.	1.98
Pfizer, Inc.	1.79
Bank of America Corporation	1.68
Johnson & Johnson	1.67
American International Group	1.52
International Business Machines	1.45

C Fund Facts

By law, the C Fund must be invested in a portfolio designed to replicate the performance of an index that includes stocks representing the U.S. stock market. The Federal Retirement Thrift Investment Board has chosen as its benchmark the S&P 500 index, which tracks the performance of major U.S. companies and industries.

The **S&P 500 index** is an index of 500 large to medium-size U.S. companies that are traded in the U.S. stock markets. The index was designed by Standard & Poor's Corporation (S&P) to provide a representative measure of U.S. stock market performance. As of December 31, 2004, 493 common stocks and 7 real estate investment trusts (REITs) were included in the index. (REITs accounted for 0.6 percent of the index's market value.) The companies in the index represented 113 separate industries classified into the 10 major industry groups shown in the chart. The S&P 500 index made up 78% of the market value of the U.S. stock markets.

S&P 500 Index
Major Industry Groups
December 31, 2004



The S&P 500 is considered a "big company" index. As of December 31, 2004, the largest 100 companies in the S&P 500 represented 66% of the index's market value. Currently, the S&P 500 index is weighted by full market capitalization. A company's weighting in the index is the total market value of the company (that is, the share price multiplied by the total number of shares outstanding) as a percentage of the combined market value of all companies in the index. During 2005, the S&P 500 index will move to a float-adjusted market capitalization, in which a company's market value and its weighting in the index are calculated using the number of shares that are freely traded, rather than all outstanding shares. Shares that are not freely traded, such as the holdings of controlling shareholders and their families, company management, and other companies, are excluded from the calculation.

Barclays Equity Index Fund—The C Fund is invested in the Barclays Equity Index Fund. The C Fund holds all the stocks included in the S&P 500 index in virtually the same weights that they have in the index. The performance of the Equity Index Fund is evaluated on the basis of how closely its returns match those of the S&P 500 index. A portion of Equity Index Fund assets is reserved to meet the needs of daily client activity. This liquidity reserve is invested in S&P 500 index futures contracts.

The C Fund invests in the Barclays Equity Index Fund by purchasing shares of the Barclays Equity Index Fund "E," which in turn holds primarily shares of the Barclays Equity Index Master Fund. As of December 31, 2004, C Fund holdings constituted $63.2 billion of the Equity Index Master Fund, which itself held $124.0 billion of securities.

Thrift Savings Plan

S Fund

Small Capitalization Stock Index Investment Fund

Fund Information

Net Assets
as of December 31, 2004
$10.0 billion

2004 Administrative Expense Ratio
.06% (6 basis points)
$0.60 per $1,000
account balance

Benchmark Index
Dow Jones Wilshire 4500 Completion stock index
www.wilshire.com or
www.djindexes.com

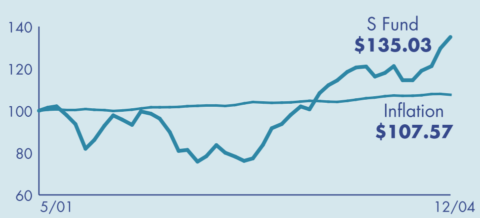
Asset Manager
Barclays Global Investors

Returns
as of December 31, 2004

	S Fund[1]	DJW 4500 Index[2]
1 Year	18.0	18.1
5 Year	N/A	1.3
10 Year	N/A	11.9
Since Inception May 1, 2001	8.5	8.8

[1]After expenses [2]Without deductions

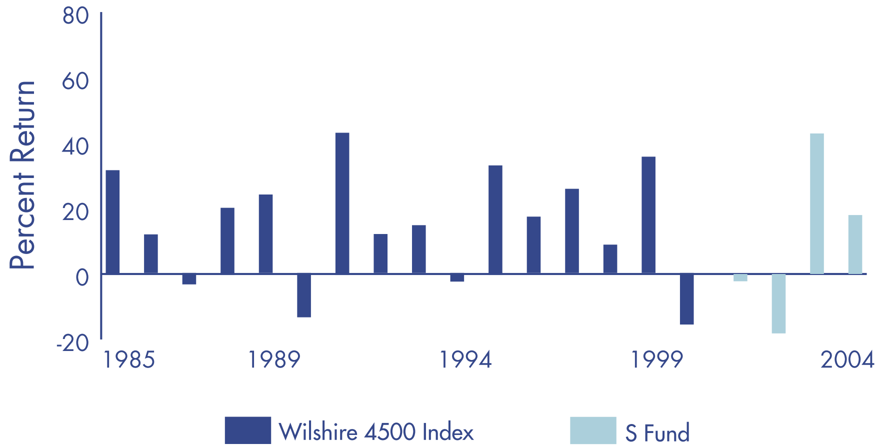
Growth of $100
Since Inception



Key Features

- The S Fund offers the opportunity to earn a potentially high investment return over the long term by investing in the stocks of small and medium-size U.S. companies.
- The objective of the S Fund is to match the performance of the Dow Jones Wilshire 4500 Completion (DJW 4500) index, a broad market index made up of stocks of U.S. companies not included in the S&P 500 index.
- There is a risk of loss if the DJW 4500 index declines in response to changes in overall economic conditions (market risk).
- Earnings consist of gains and losses in the prices of stocks, and dividend income.

S Fund Returns*
1985–2004



* For periods before the inception of the S Fund, the rate shown is the return of the DJW4500 index (without deduction for management fees, trading costs, or administrative expenses).

DJW 4500 Top Ten

Company	**Percent of Index**
Berkshire Hathaway, Inc. (Class A stock)	3.08
Liberty Media Corporation (Class A stock)	0.97
Genentech, Inc.	0.86
The DIRECTV Group, Inc.	0.52
IAC InterActiveCorp	0.47
Juniper Networks, Inc.	0.46
Amazon.com, Inc.	0.44
Sirius Satellite Radio, Inc.	0.33
Kraft Foods, Inc. (Class A stock)	0.31
Vornado Realty Trust	0.30

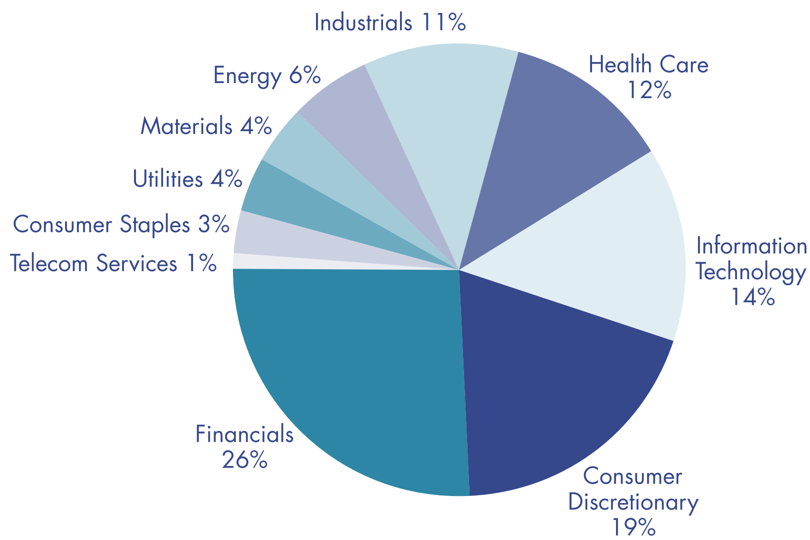
S Fund Facts

By law, the S Fund must be invested in a portfolio designed to replicate the performance of an index of U.S. common stocks, excluding those that are held in the C Fund. The Federal Retirement Thrift Investment Board has chosen, as its benchmark, the Dow Jones Wilshire 4500 Completion index, which tracks the performance of the actively traded non-S&P 500 stocks in the U.S. stock market.

The **Dow Jones Wilshire 4500 Completion index (DJW 4500 index)** is an index of all actively traded U.S. common stocks and real estate investment trusts (REITs) that are not included in the S&P 500 index. The index is designed to be the broadest measure of the non-S&P 500 domestic stock markets. As of December 31, 2004, the index included 4,493 common stocks and 223 REITs. (REITs accounted for 7.8% of the index's market value.) The DJW 4500 index made up 22% of the market value of the U.S. stock markets; the S&P 500 accounted for the other 78%. Thus, the S Fund and the C Fund combined cover virtually the entire U.S. stock market.

The DJW 4500 index is weighted by float-adjusted market capitalization, in which a company's market value and its weighting in the index are calculated using the number of shares that are freely traded, rather than all outstanding shares. Shares that are not freely traded, such as the holdings of controlling shareholders and their families, company management, and other companies, are excluded from the calculation. A company's weighting in the index is the float-adjusted market value of the company (that is, the share price multiplied by the number of freely traded shares outstanding) as a percentage of the combined float-adjusted market value of all companies in the index. As of December 31, 2004, the largest 100 companies in the DJW 4500 index represented 24% of the index's market value.

DJW 4500 Index
Major Industry Groups
December 31,2004



Barclays Extended Market Index Fund—The S Fund is invested in the Barclays Extended Market Index Fund. The DJW 4500 index contains a large number of stocks, including illiquid stocks with low trading volume and stocks with prices less than $1.00 per share. Therefore, it is not practical for the Barclays Extended Market Index Fund to invest in every stock in the index. The Barclays fund holds the stocks of most of the companies in the index with market values greater than $1 billion. However, a mathematical sampling technique is used to select among the smaller stocks. Barclays' mathematical model considers size and industry group to match the industry weights in the index. Within each industry group, Barclays selects stocks that, together, are expected to produce a return that is very close to the industry's return in the DJW 4500 index. The performance of the Extended Market Index Fund is evaluated on the basis of how closely its returns match those of the DJW 4500 index. A portion of Extended Market Index Fund assets is reserved to meet the needs of daily client activity. This liquidity reserve is invested in futures contracts of the S&P 400 and Russell 2000 (other broad equity indexes).

The S Fund invests in the Barclays Extended Market Index Fund by purchasing shares of the Barclays Extended Market Index Fund "E," which in turn holds primarily shares of the Barclays Extended Market Index Master Fund. As of December 31, 2004, S Fund holdings constituted $9.6 billion of the Extended Market Index Master Fund, which itself held $14.8 billion in securities.

Thrift Savings Plan

I Fund

International Stock Index Investment Fund

Fund Information

Net Assets
as of December 31, 2004
$7.3 billion

2004 Administrative Expense Ratio
.06% (6 basis points)
$0.60 per $1,000
account balance

Benchmark Index
Morgan Stanley Capital International EAFE stock index
www.msci.com

Asset Manager
Barclays Global Investors

Returns

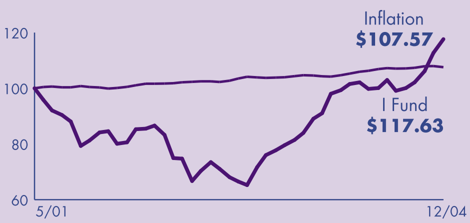
as of December 31, 2004

	I Fund[1]	EAFE Index[2]
1 Year	20.0	20.2
5 Year	N/A	–1.1
10 Year	N/A	5.6
Since Inception May 1, 2001	4.5	4.9

[1]After Expenses [2]Without Deductions

Growth of $100

Since Inception

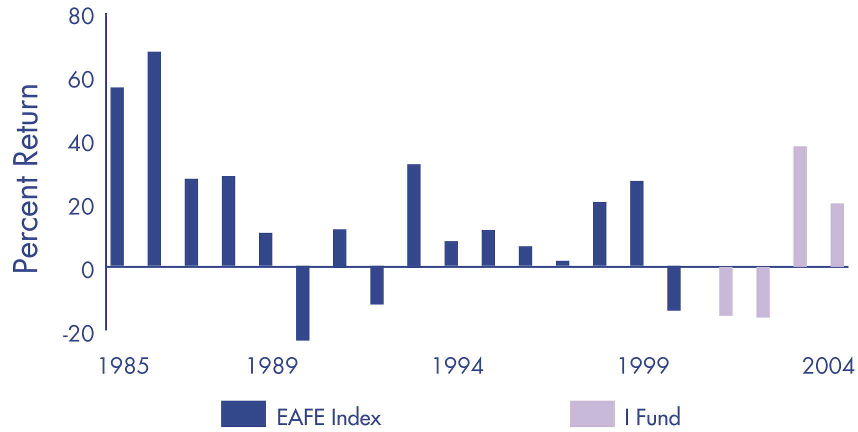


Key Features

- The I Fund offers the opportunity to earn a potentially high investment return over the long term by investing in the stocks of companies in developed countries outside the U.S.
- The objective of the I Fund is to match the performance of the Morgan Stanley Capital International EAFE (Europe, Australasia, Far East) index, a broad international market index, made up of stocks of companies in 21 developed countries.
- There is a risk of loss if the EAFE index declines in response to changes in overall economic conditions (market risk) or in response to increases in the value of the U.S. dollar (currency risk).
- Earnings consist of gains and losses in the prices of stocks, currency changes relative to the U.S. dollar, and dividend income.

I Fund Returns*

1985–2004



* For periods before the inception of the I Fund, the rate shown is the return of the EAFE index (without deduction for management fees, trading costs, or administrative expenses).

EAFE Top Ten

Company	Percent of Index
BP	2.36
HSBC Holdings (GB)	2.08
Vodafone Group	2.00
GlaxoSmithKline	1.54
Total	1.43
Novartis	1.34
Royal Dutch Petroleum Company	1.34
Toyota Motor Corporation	1.31
Nestlé	1.18
Royal Bank of Scotland	1.18

I Fund Facts

By law, the I Fund must be invested in a portfolio designed to track the performance of an index of common stocks, representing international stock markets outside of the United States. The Federal Retirement Thrift Investment Board has chosen as its benchmark the Morgan Stanley Capital International EAFE (Europe, Australasia, Far East) index, which tracks the overall performance of the major companies and industries in the European, Australian, and Asian stock markets.

A significant component of the returns on the EAFE index (and the I Fund) results from changes in the value of the U.S. dollar relative to the currencies of the countries represented in the index. For example, the EAFE index earned 20.2% in 2004, but part of that return reflected a decline in the value of the U.S. dollar (which increased the return). If the value of the dollar had been unchanged during 2004, the return would have been 12.7%.

The **EAFE index**, designed by Morgan Stanley Capital International (MSCI), is an index of the equity markets of the developed world outside of the United States and Canada. It is the most widely used international stock index. As of December 31, 2004, the index covered the equity markets of 21 countries, as shown in the table.

The companies in the EAFE index are large companies. The index is weighted by float-adjusted market capitalization, in which a company's market value and its weighting in the index are calculated using the number of shares that are freely traded, rather than all outstanding shares. Shares that are not freely traded, such as the holdings of controlling shareholders and their families, company management, and other companies, are excluded from the calculation. Also excluded are shares subject to foreign ownership limitations imposed by governments or companies. Within each country, a company's weighting is the float-adjusted market value of the company (that is, the share price multiplied by the number of freely traded shares outstanding) as a percentage of the combined float-adjusted market value of all companies in the index. Similarly, a country's weighting in the EAFE index is the float-adjusted market value of its stock market as a percentage of the combined float-adjusted market value of all stock markets included in the EAFE index.

EAFE Index
Country Composition
December 31, 2004

Country	Percent of Total Value of Index	Number of Companies
Europe		
Austria	0.4	13
Belgium	1.3	21
Denmark	0.8	20
Finland	1.4	19
France	9.4	57
Germany	7.0	47
Greece	0.6	20
Ireland	0.9	15
Italy	4.3	41
Netherlands	4.8	26
Norway	0.6	14
Portugal	0.4	10
Spain	4.1	32
Sweden	2.5	44
Switzerland	6.8	35
United Kingdom	25.0	152
Europe	70.3	566
Australasia/Far East		
Australia	5.1	71
Hong Kong	1.7	38
Japan	21.9	344
New Zealand	0.2	16
Singapore	0.8	35
Australasia/Far East	29.7	504
Total EAFE Index	**100%**	**1070**

Source: Morgan Stanley Capital International

Barclays EAFE Index Fund—The Barclays fund holds common stocks of all the companies represented in the EAFE index in virtually the same weights that they have in the index. The return on the Barclays fund (and on the I Fund) will differ from that of the EAFE index on days when Barclays makes a "fair valuation" adjustment to reprice the securities held by the fund. Fair valuation adjustments are made on days when there are large movements in either U.S. equity markets or exchange rates after the foreign markets have closed. Fair valuation prevents traders from "market timing" by making investment decisions based on "stale" prices, thus diluting the returns of other TSP participants who invest in the I Fund.

The performance of the EAFE index fund is evaluated on the basis of how closely its returns match those of the EAFE index, without the effect of fair valuation. A portion of EAFE Index Fund assets is reserved to meet the needs of daily client activity. This liquidity reserve is invested in futures contracts on the local stock indexes of the countries in the EAFE index. These include the United Kingdom's FTSE 100, Germany's DAX, France's CAC 40, Australia's ALL ORDS, Japan's Nikkei 300, and Hong Kong's Hang Seng.

The I Fund invests in the Barclays EAFE Index Fund by purchasing shares of the Barclays EAFE Index Fund "E," which in turn holds primarily shares of the Barclays EAFE Index Master Fund. As of December 31, 2004, I Fund holdings constituted $7.0 billion of the EAFE Index Master Fund, which itself held $42.5 billion of securities.

2004 Investment Fund Cash Flows
(Total Number of Trading Days: 249)

	F Fund	C Fund	S Fund	I Fund
Largest Contribution	$54,069,361	$119,987,200	$137,507,052	$112,921,166
Largest Redemption	($59,690,863)	($113,570,827)	($102,063,650)	($55,052,105)
Net Contribution/(Redemption) in 2004	($746,796,146)	$2,799,621,472	$2,773,162,407	$3,939,336,454
Average Amount Traded (absolute value)	$9,614,279	$30,059,995	$19,721,103	$19,560,452

Deloitte.

INDEPENDENT AUDITORS' REPORT

To the Board Members and the Executive Director
Federal Retirement Thrift Investment Board

We have audited the accompanying statements of net assets available for benefits of the Thrift Savings Fund (the "Fund") as of December 31, 2004 and 2003, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Federal Retirement Thrift Investment Board. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Fund as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

McLean, Virginia
March 4, 2005

THRIFT SAVINGS FUND

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2004 AND 2003
(In thousands)

	2004	2003
ASSETS:		
Investments, at fair value:		
U.S. Government Securities Investment Fund	$ 56,670,880	$ 51,121,034
Barclays U.S. Debt Index Fund	9,732,943	10,071,287
Barclays Equity Index Fund	63,218,611	54,303,506
Barclays Extended Market Index Fund	9,644,143	5,622,444
Barclays EAFE Index Fund	7,021,069	2,211,875
Participant loans	5,105,715	5,130,170
Total investments	151,393,361	128,460,316
Receivables:		
Employer contributions	166,045	151,497
Participant contributions	507,034	446,574
Total receivables	673,079	598,071
Fixed assets:		
Furniture, equipment, and leasehold improvements, net of accumulated depreciation and amortization of $7,342 in 2004 and $6,093 in 2003	4,533	358
Data processing software, net of accumulated amortization of $17,577 in 2004 and $12,528 in 2003	37,306	39,357
Total fixed assets	41,839	39,715
Other assets	5,460	11,236
Total assets	152,113,739	129,109,338
LIABILITIES:		
Accounts payable	22,148	29,372
Accrued payroll and benefits	921	1,194
Benefits and participant loans payable	40,941	54,181
Deferred rent and lease credits	217	121
Due for securities purchased	35,757	94,348
Total liabilities	99,984	179,216
FUNDS RESTRICTED FOR THE PURCHASE OF FIDUCIARY INSURANCE	(4,829)	(4,978)
NET ASSETS AVAILABLE FOR BENEFITS	$152,008,926	$128,925,144

See notes to financial statements.

THRIFT SAVINGS FUND

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2004 AND 2003
(In thousands)

	2004	2003
ADDITIONS:		
Investment income (loss):		
U.S. Government Securities Investment Fund	$ 2,346,104	$ 2,074,004
Net appreciation (depreciation) in fair value of Barclays funds:		
Barclays U.S. Debt Index Fund	408,397	455,956
Barclays Equity Index Fund	6,115,843	11,316,657
Barclays Extended Market Index Fund	1,249,934	914,990
Barclays EAFE Index Fund	870,403	358,102
Interest income on participant loans	237,684	222,422
Asset Manager rebates	1,778	1,616
Less investment expenses	(4,503)	(3,708)
Net investment income (loss)	11,225,640	15,340,039
Contributions:		
Participant	11,980,077	10,366,123
Employer	4,238,199	3,887,260
Total contributions	16,218,276	14,253,383
Total additions	27,443,916	29,593,422
DEDUCTIONS:		
Benefits paid to participants	4,110,891	2,774,685
Administrative expenses	91,896	75,038
Participant loans declared taxable distributions	157,496	130,559
Total deductions	4,360,283	2,980,282
CHANGE IN FUNDS RESTRICTED FOR THE PURCHASE OF FIDUCIARY INSURANCE	149	375
Net increase	23,083,782	26,613,515
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	128,925,144	102,311,629
End of year	$ 152,008,926	$ 128,925,144

See notes to financial statements.

THRIFT SAVINGS FUND

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2004 AND 2003

1. PLAN DESCRIPTION

The following description is provided for general information purposes. Participants should refer to the *Summary of the Thrift Savings Plan for Federal Employees* or the *Summary of the Thrift Savings Plan for the Uniformed Services* and applicable legislation for more complete information.

General—The Thrift Savings Plan (the "Plan") is a retirement savings and investment plan for Federal employees and members of the uniformed services. It was authorized by the United States Congress in the Federal Employees' Retirement System Act of 1986 ("FERSA"). The Plan provides Federal employees and members of the uniformed services with a savings and tax benefit similar to what many private corporations offer their employees. The Plan was primarily designed to be a key part of the retirement package (along with a basic annuity benefit and Social Security) for employees who are covered by the Federal Employees' Retirement System ("FERS").

The Plan is administered by an independent Government agency, the Federal Retirement Thrift Investment Board (the "Agency"), which is charged with operating the Plan prudently and solely in the interest of the participants and their beneficiaries. Assets of the Plan are maintained in the Thrift Savings Fund (the "Fund").

Federal employees who are participants of FERS, the Civil Service Retirement System ("CSRS"), or equivalent retirement plans, as provided by statute, and members of the uniformed services, are eligible to join the Plan immediately upon being hired. Generally, FERS employees are those employees hired on or after January 1, 1984, while CSRS employees are employees hired before January 1, 1984, who have not elected to convert to FERS. Each group has different rules that govern contribution rates. As of December 31, 2004, there were approximately 3.4 million participants in the Plan, with approximately 2.5 million contributing their own money.

Contributions—The Plan is a defined contribution plan and, as such, specifies how much an employee may contribute and how much the employing agency must contribute to each FERS employee's account. In 2004 and 2003, FERS employees could contribute up to 14 percent and 13 percent, respectively, of their basic pay each pay period, on a tax-deferred basis, and were entitled to receive agency matching contributions on the first 5 percent, according to a formula prescribed by FERSA (5 U.S.C. § 8432(c)). In 2004 and 2003, CSRS employees and members of the uniformed services could contribute up to 9 percent and 8 percent, respectively, of their basic pay each pay period, on a tax-deferred basis. Uniformed services members may also contribute up to 100% of designated special pay, incentive pay, and bonuses. The Federal Government or Uniformed Services does not match any of this amount. For FERS employees, their employing agencies also contribute an agency automatic contribution equal to 1 percent of each employee's basic pay each pay period, as defined in FERSA (5 U.S.C. § 8401(4)).

In accordance with the Internal Revenue Code, no participant could contribute more than $13,000 and $12,000 in 2004 and 2003, respectively. This limit will increase to $14,000 in 2005. Participants age 50 and older, who are already contributing the maximum amount of contributions for which they are eligible, may make supplemental tax-deferred catch-up contributions (up to $2,000 in 2003, $3,000 in

2004 and $4,000 in 2005) from their basic pay. Participants may also transfer funds from traditional individual retirement accounts ("IRAs") or other eligible employer plans into the Plan.

***Investments*—**Pursuant to FERSA (5 U.S.C. § 8438), Plan participants are offered five investment funds: the Government Securities Investment Fund ("G Fund"), the Fixed Income Investment Fund ("F Fund"), the Common Stock Index Investment Fund ("C Fund"), the Small Capitalization Stock Index Investment Fund ("S Fund"), and the International Stock Index Investment Fund ("I Fund"). Participants may allocate any portion of their contributions among the five investment funds. Also, participants may reallocate their entire account balance among the five investment funds through the interfund transfer process. Participants can make an interfund transfer daily, without an annual limit.

The Agency has contracted with Barclays Global Investors ("Barclays") to manage the index funds in which the F, C, S, and I Fund assets are invested.

***Vesting*—**Plan participants are immediately vested in all of their own contributions and attributable earnings. Participants are also immediately vested in any agency matching contributions made to their accounts and attributable earnings. In order to be vested in the agency automatic (1%) contributions, a FERS employee must have either 2 or 3 years of service as described in section 8432(g) of FERSA. FERS employees who are not vested and who separate from the Federal Government forfeit all agency automatic contributions and attributable earnings. Forfeited funds, consisting primarily of monies forfeited pursuant to 8432(g), totaled $10,822,000 in 2004 and $7,824,000 in 2003, and, by law, are used by the Fund to pay accrued administrative expenses. If the forfeited funds are not sufficient to meet all administrative expenses, earnings on investments are then charged.

***Participant Accounts*—**Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, agency automatic and matching contributions, and charged with withdrawals. The value of the participant's account reflects the number of shares and the daily share prices of the funds in which the participant is invested. Administrative expenses are a component of the share price calculation. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Beginning July 1, 2004, the Agency began providing toll-free telephone service to participants and beneficiaries. The toll-free service provides account or transaction information via the ThriftLine's automated telephone service 24 hours a day, 7 days a week. Participant service representatives can be reached through this service at one of the two Plan call centers between the expanded hours of 7:00 am and 9:00 pm Eastern time, Monday through Friday.

***Participant Loans*—**Participants may apply for loans from their accounts. There are two types of Plan loans: general purpose and residential. General purpose loans can be obtained for any purpose, with a repayment period from 1 to 5 years. Residential loans can be obtained for the purpose of purchasing a primary residence, with a repayment period from 1 to 15 years. Participant loans may only be taken from participant contributions and attributable earnings. The minimum loan amount is $1,000.

The interest rate for loans is the G Fund rate at the time the loan agreement is issued by the Agency's record keeper. The rate is fixed at this level for the life of each loan. Participant loans are valued at their unpaid balances, which approximate fair value. Interest earned on loans is allocated to the participant account upon repayment.

By regulation, the Agency must identify each calendar quarter any participant loan that is in default. The participant then has until the end of the following calendar quarter to pay the overdue amount. If not paid, a taxable distribution of the unpaid loan balance, plus accrued interest, will be declared. Participants should refer to the booklet titled *TSP Loans* for more information.

***Payment of Benefits*—**After leaving service, participants may elect benefit withdrawals in the form of a partial withdrawal or a full withdrawal as a single payment, a series of payments, or a life annuity. Participants may choose to combine any two, or all three, of the available full withdrawal options. Participants should refer to the booklet titled *Withdrawing Your TSP Account After Leaving Federal Service* for more complete information.

Participants should refer to the booklet, *TSP In-Service Withdrawals,* for information on withdrawal options while employed in Federal service.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Basis of Accounting*—**The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Revenue is recognized when earned and expenses are recognized when incurred. Benefits and participant loans payable are recorded when disbursed from participants' accounts.

***Investments*—**All investments are stated at fair value, based upon the quoted market values of the underlying securities at year-end. The Agency invests in (or redeems from) the Fund's investment funds on a daily basis. Purchases and sales of securities are recorded on a trade-date basis.

During the years ended December 31, 2004 and 2003, the Fund's investment funds consisted of the following (objectives of the investment funds are described in the booklet *Guide to TSP Investments*):

The G Fund was invested in short-term nonmarketable U.S. Treasury securities specially issued to the Fund. All investments in the G Fund earned interest at a rate that is equal, by law, to the average of market rates of return on outstanding U.S. Treasury marketable securities with 4 or more years to maturity.

The F Fund was invested primarily in the Barclays U.S. Debt Index Fund "E", which in turn holds shares of the Barclays U.S. Debt Index Master Fund. Both the U.S. Debt Index Fund "E" and the Master Fund are passively managed commingled funds that track the Lehman Brothers U.S. Aggregate Bond Index.

As of December 31, 2004, the Barclays U.S. Debt Index Master Fund contained approximately 38 percent mortgage-backed securities, 22 percent investment-grade corporate securities (U.S. and non-U.S.), 25 percent U.S. Treasury securities, 11 percent Federal agency securities, and 4 percent foreign government securities (dollar-denominated securities traded in the U.S. that are issued by foreign or international entities (sovereigns, multilateral lending institutions, foreign agencies, and foreign local governments)). The mortgage-backed sector contains securities guaranteed by the Government National Mortgage Association, Fannie Mae, and Freddie Mac, as well as commercial mortgaged-backed securities.

As of December 31, 2004, the Barclays U.S. Debt Index Master Fund held 3,889 securities totaling $26.3 billion, with a weighted average life of 6.29 years. The U.S. Debt Index Fund "E" held shares of the Master Fund totaling $11.0 billion, and the F Fund holdings constituted $9.7 billion of the December 31, 2004, value of the "E" Fund.

The C Fund was invested primarily in the Barclays Equity Index Fund “E”, which in turn holds shares of the Barclays Equity Index Master Fund, plus a liquidity reserve that is invested in futures contracts. Both the Equity Index Fund “E” and the Master Fund are passively managed commingled funds that track the S&P 500 Index.

The Equity Index Master Fund holds stocks of all the companies represented in the S&P 500 index in virtually the same weights as they are represented in the S&P 500 index. As of December 31, 2004, the Barclays Equity Index Master Fund held $124.0 billion of securities. The Barclays Equity Index Fund “E” held shares of the Master Fund totaling $82.6 billion, and the C Fund holdings constituted $63.2 billion of the December 31, 2004, value of the “E” Fund.

The S Fund was invested primarily in the Barclays Extended Market Index Fund “E”, which in turn holds shares of the Barclays Extended Market Master Fund, plus a liquidity reserve that is invested in futures contracts. Both the Barclays Extended Market Index Fund “E” and the Master Fund are passively managed commingled funds that track the Wilshire 4500 index by holding most of the stocks with larger capitalizations in virtually the same weights as they are represented in the index, and by holding a representative sample of the remaining stocks in the index.

As of December 31, 2004, the Barclays Extended Market Index Master Fund held $14.8 billion of securities. The Barclays Extended Market Index Fund “E” held shares of the Master Fund totaling $11.0 billion, and the S Fund holdings constituted $9.6 billion of the December 31, 2004, value of the “E” Fund.

The I Fund was invested primarily in the Barclays EAFE (Europe, Australasia, Far East) Index Fund “E”, which in turn holds shares of the Barclays EAFE Index Master Fund, plus a liquidity reserve that is invested in futures contracts. Both the Barclays EAFE Index Fund “E” and the Master Fund are passively managed commingled funds that track the Morgan Stanley Capital International EAFE Index. The Barclays EAFE Index Master Fund holds stocks of all the companies represented in the EAFE index in virtually the same weights as they are represented in the index.

As of December 31, 2004, the Barclays EAFE Index Master Fund held $42.5 billion of securities. The Barclays EAFE Index Fund “E” held shares of the Master Fund totaling $6.9 billion, and the I Fund holdings constituted $7.0 billion of the December 31, 2004, value of the “E” Fund.

The F Fund, C Fund, S Fund, and I Fund include temporary investments in the same securities held by the G Fund pending purchase of shares in their respective index funds and to cover liquidity needs, such as loans and withdrawals from the Fund.

Fixed Assets—All fixed assets were recorded at historical cost. Assets with a useful life in excess of 1 year and a cost greater than $100,000 are capitalized and expensed over their useful life using the straight-line method. The estimated useful lives are as follows:

Furniture and equipment	3 to 10 years
Leasehold improvements	10 years
Data processing software	3 to 10 years

Earnings Allocation—Beginning in June 2003, net earnings are used to calculate the daily share price of each investment fund as defined in regulations issued by the Agency (5 CFR Part 1645). Prior to June 2003, net earnings were allocated to participant accounts monthly.

***Contributions Receivable*—**Contributions receivable are estimated as the amount of contributions recorded through the first 2 weeks of the month following the date of the financial statements and represent both participant and employer portions of contributions.

***Estimates*—**The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

3. INCOME TAX STATUS

FERSA (5 U.S.C. § 8440(a)(1)) states that the Plan shall be treated as a trust as described in section 401(a) of the Internal Revenue Code ("Code"), which is exempt from taxation under section 501(a) of the Code. This status was reaffirmed in the Tax Reform Act of 1986, Section 1147 (codified at I.R.C. § 7701(j)). It is not necessary for the Plan to apply for a tax status determination letter since it is qualified by statute.

4. COMMITMENTS AND CONTINGENCIES

The Agency has entered into Interagency Agreements with the Department of Agriculture's National Finance Center ("NFC"). Under the agreements, the NFC performs detailed record keeping of participant account balances (operations) and maintains a service office which responds to telephone and written inquiries from participants. These agreements may be canceled by the Agency with 3 months' notice or by the Department of Agriculture with 1 year's notice. The NFC's fees for fiscal year 2005 are estimated to be $30,378,000.

The Agency has entered into a contract with SI International to continue to perform TSP software maintenance and development, systems operations, and record-keeping support. The annual cost of this service is approximately $18 million.

On March 8, 2004, the Agency contracted with Spherix, Incorporated of Beltsville, Maryland, to provide parallel call center support services to participants. The new call center supplements services provided by NFC. The two call centers complement each other during normal operations and back up each other during weather-related or other local events which could otherwise interrupt service. The term of the contract is one year, with four one-year options renewable at the Agency's discretion. The contract value for fiscal year 2005 is approximately $2.5 million.

The Agency leases the office space it occupies in Washington, D.C., under an operating lease. The operating lease ends in 2012, with an option to extend for two 5-year periods. Monthly base rental payments under the lease range from approximately $106,000 to $127,000. Rent expense is recorded on a straight-line basis over the lease term.

Future minimum lease commitments under the operating lease are as follows:

CY 2005	$ 1,321,679
CY 2006	1,348,236
CY 2007	1,375,267
CY 2008	1,402,772
CY 2009	1,430,752
Thereafter	4,466,298
	$11,345,004

5. FIDUCIARY INSURANCE

FERSA (5 U.S.C. § 8479(b)(1)) provides that the Executive Director may assess Federal agencies for the purpose of buying fiduciary insurance. The Agency's Executive Director exercised this authority in 1987 and required agencies to submit an amount equal to 1 percent of their agency automatic contributions. Such sums were collected during 1987 and 1988 and are invested to the extent not currently required to purchase fiduciary insurance. In February 1988, the Executive Director instructed agencies to discontinue the 1 percent fiduciary insurance contributions. The balance of funds available for the purchase of fiduciary insurance as of December 31, 2004 and 2003, were $4,829,000 and $4,978,000, respectively, which have been invested in the same securities held by the G Fund and included in total investments on the accompanying statements of net assets available for benefits, with a corresponding reduction in the net assets available for benefits. Such amounts cannot be, by statute, allocated to participants' accounts. The Agency has determined that the current insurance reserve is adequate to fund coverage needs for the foreseeable future.

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SECTION M
EVALUATION FACTORS FOR AWARD

M.1. INTRODUCTION

This section sets forth the criteria to be used for the evaluation of all offers. These criteria will be applied to each offer to determine the successful Offeror. The evaluation process is described below.

M.2. EVALUATION OF OFFERS

The Board will select an Offeror for award in accordance with the guidance in FAR Part 15, the Board's Source Evaluation and Selection Procedures, and the terms of this solicitation. The following specific events will occur in the evaluation process:

Step 1. The Board will review all proposals for compliance with the requirements of this solicitation document. Those proposals which do not conform, other than for minor irregularities, will not be given further consideration for award of a contract.

Step 2. The Board's Technical Evaluation Panel will evaluate all technical proposals for compliance with the requirements of Clause M.4, "Minimum Technical Qualifications." Those proposals which do not conform to the requirements of Clause M.4 will not be given further consideration for award of a contract.

Step 3. The Board's Technical Evaluation Panel will conduct a technical evaluation of all proposals which meet the requirements of Clause M.4 and which are not otherwise disqualified from consideration for award of a contract.

Step 4. The Board will evaluate cost/pricing proposals in accordance with Sections B, L, and M.

Step 5. The Board will consider the technical and cost/price evaluations of all rated proposals in order to determine that Offeror which proposes the best value in terms of lowest cost, superior service, or both.

Step 6. The Board will evaluate the responsibility of the apparent successful Offeror in light of the factors set forth in FAR Part 9.

M.3. EVALUATION FACTORS FOR AWARD

a. The Board will make award to that responsible Offeror whose offer conforms to the solicitation and is most advantageous to the Board, cost or price and other factors considered.

b. For this solicitation, technical quality is more important than cost. An evaluation of each offer will be made in the technical area, and if technically acceptable, in the cost area. The technical evaluation carries a 60% weight towards contract award, and the cost/price evaluation carries a 40% weight. A final cost/price score will be developed by combining the final technical evaluation and cost/price scores.

M.4. MINIMUM TECHNICAL QUALIFICATIONS

a. The Technical Proposal must demonstrate compliance with the minimum technical factors listed below in order to be considered for award. Proposals which do not conform to the requirements of this clause will be rejected by the Technical Evaluation Panel prior to technical evaluation.

b. All Offerors must demonstrate compliance with the following:

1. The Offeror must comply with the statutory requirements specified in §§ 8438 and 8478 of Title 5 of the United States Code and must agree to serve as a fiduciary of the Thrift Savings Fund, as defined in § 8477 of Title 5, with respect to all assets of the Fund under management or custody.

2. The Offeror must be a “qualified professional asset manager” as defined in § 8438 of Title 5 of the United States Code.

3. The Offeror must provide a commingled, daily-valued S&P 500 index fund suitable for a tax-qualified plan.

4. The proposed fund must have a minimum of $55 billion (market value as of June 30, 2000) in assets under management. (See Section J, Attachment 1, paragraph I.E.1 for a discussion of modular or tiered structure as it applies to the size of the proposed fund. That

discussion applies to the minimum size requirement as well). The proposed commingled fund must have been in operation for a minimum of 3 years.

5. The offered fund must be designed to replicate the S&P 500 index.

6. The offered fund must provide a securities lending program.

7. The offered fund must accept trades each business day, on a pre-notification trade basis (i.e., trade executed at closing stock prices on the trade date), with an investment notification deadline no earlier than 2:00 p.m., eastern time. The offered fund must accept funds to cover purchases one business day after the trade date and must wire redemption proceeds one business day after the trade date.

8. The Offeror must provide, through an electronic data file in the format provided by the Board, to the TSP record keeper on each business day the TSP's share of total earnings, in dollars, for that business day. Total earnings include capital gain or loss (net of trading costs), dividend income, securities lending income, and any income from the cash account. The daily earnings are to be transmitted as soon as available each business day, but no later than 6:00 p.m. eastern time. The offeror must also provide other required information, transaction summary reports, monthly transaction reports, and monthly performance reports in a timely manner.

9. The Offeror must provide the Board with its established proxy voting policies and agree to submit reports to the Board explaining any exceptions to those policies during the term of the contract.

M.5. TECHNICAL EVALUATION

Upon determining Offeror compliance with the minimal technical criteria identified in paragraph M.4 above, the technical evaluation panel will evaluate those proposals for technical compliance with the requirements of this solicitation document. The evaluation will be consistent with the evaluation criteria identified below:

1. Organizational Experience - 10 points

a. Qualifications of portfolio managers, administrative account servicing, and other investment personnel.

b. Size, growth, and longevity of proposed fund.

2. Trading - 30 points

d. Demonstrated ability and opportunity to minimize trading costs.

3. Tracking of the S&P 500 Index - 10 points

4. Fiduciary and Administrative Competence - 10 points

a. Ability to carry out fiduciary responsibilities.

b. Quality of securities lending program.

c. Comprehensiveness of proxy voting policies.

d. Ability to provide timely and accurate reports containing the required information.

M.6. COST/PRICE EVALUATION

a. The Board will analyze all technically acceptable proposals to determine the price of each proposal. The Board anticipates assigning 40 points to the price proposal evaluation.

b. The Board will use the information submitted in Section B.3 to determine the proposal with the lowest net fees (defined as management fees plus custodian fees less securities lending income) at each asset level and will assign lower point scores to those proposals with higher net fees at each level, in accordance with the following schedule:

Net Fees On	Point Allocation
First $60 billion	25 points
Above $60 billion	15 points

c. Cost evaluation points are attributed to each Offerors' net fees as follows: The lowest Offeror receives maximum points for each category. For every basis point above the lowest net fee at each asset level, the corresponding score is reduced 3 points (incremental increases of less than one basis point reduce the score proportionately, e.g., a .5

basis point increase in fees results in a 1.5 point reduction in score).

d. The technical points earned as a result of the evaluation in M.5 will be added to the results of the M.6 evaluation, rendering a total score for each proposal.

M.7. AWARD

a. While the total score will be an important factor in contract award selection, the Board will award any contract resulting from this solicitation to that Offeror presenting the most advantageous offer to the Board, all factors considered.

b. The Board may reject any or all offers, accept other than the offer proposing the lowest management fees, and waive informalities and minor irregularities in offers received.

c. The Board may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the Offeror's best terms from a price and technical standpoint.

M.8. TIME OF AWARD

The Board expects to make an award by October 2000 to allow the selected Offeror to conduct system tests associated with the new Thrift Savings Plan (TSP) record keeping system prior to initiating fund management on January 1, 2001.

NOTHING FOLLOWS

SECTION M
EVALUATION FACTORS FOR AWARD

M.1. INTRODUCTION

This section sets forth the criteria to be used for the evaluation of all offers. These criteria will be applied to each offer to determine the successful Offeror. The evaluation process is described below.

M.2. EVALUATION OF OFFERS

The Board will select an Offeror for award in accordance with the guidance in FAR Part 15, the Board's Source Evaluation and Selection Procedures, and the terms of this solicitation. The following specific events will occur in the evaluation process:

Step 1. The Board will review all proposals for compliance with the requirements of this solicitation document. Those proposals which do not conform, other than for minor irregularities, will not be given further consideration for award of a contract.

Step 2. The Board's Technical Evaluation Panel will evaluate all technical proposals for compliance with the requirements of Clause M.4, "Minimum Technical Qualifications." Those proposals which do not conform to the requirements of Clause M.4 will not be given further consideration for award of a contract.

Step 3. The Board's Technical Evaluation Panel will conduct a technical evaluation of all proposals which meet the requirements of Clause M.4 and which are not otherwise disqualified from consideration for award of a contract.

Step 4. The Board will evaluate cost/pricing proposals in accordance with Sections B, L, and M.

Step 5. The Board will consider the technical and cost/price evaluations of all rated proposals in order to determine that Offeror which proposes the best value in terms of lowest cost, superior service, or both.

Step 6. The Board will evaluate the responsibility of the apparent successful Offeror in light of the factors set forth in FAR Part 9.

M.3. EVALUATION FACTORS FOR AWARD

a. The Board will make award to that responsible Offeror whose offer conforms to the solicitation and is most advantageous to the Board, cost or price and other factors considered.

b. For this solicitation, technical quality is more important than cost. An evaluation of each offer will be made in the technical area, and if technically acceptable, in the cost area. The technical evaluation carries a 60% weight towards contract award, and the cost/price evaluation carries a 40% weight. A final cost/price score will be developed by combining the final technical evaluation and cost/price scores.

M.4. MINIMUM TECHNICAL QUALIFICATIONS

a. The Technical Proposal must demonstrate compliance with the minimum technical factors listed below in order to be considered for award. Proposals which do not conform to the requirements of this clause will be rejected by the Technical Evaluation Panel prior to technical evaluation.

b. All Offerors must demonstrate compliance with the following:

1. The Offeror must comply with the statutory requirements specified in §§ 8438 and 8478 of Title 5 of the United States Code and must agree to serve as a fiduciary of the Thrift Savings Fund, as defined in § 8477 of Title 5, with respect to all assets of the Fund under management or custody.

2. The Offeror must be a "qualified professional asset manager" as defined in § 8438 of Title 5 of the United States Code.

3. The Offeror must provide a daily-valued, commingled, LBA index fund suitable for a tax-qualified plan.

4. The proposed fund must have a minimum of $3.5 billion (market value as of June 30, 2000) in assets under management. (See Section J, Attachment 1, paragraph

I.E.1 for a discussion of modular or tiered structure as it applies to the size of the proposed fund. That discussion applies to the minimum size requirement as well). The proposed commingled fund must have been in operation for a minimum of 3 years.

5. The offered fund must be designed to track the LBA index.

6. The offered fund must provide a securities lending program.

7. The offered fund must accept trades each business day, on a pre-notification trade basis (i.e., trade executed at closing prices on the trade date), with an investment notification deadline no earlier than 2:00 p.m., eastern time. The offered fund must accept funds to cover purchases one business day after the trade date and must wire redemption proceeds one business day after the trade date.

8. The Offeror must provide, through an electronic data file in the format provided by the Board, to the TSP record keeper on each business day the TSP's share of total earnings, in dollars, for that business day. Total earnings include capital gain or loss (net of trading costs), interest income, securities lending income, and any income from the cash account. The daily earnings are to be transmitted as soon as available each business day, but no later than 6:00 p.m. eastern time. The Offeror must also provide other required information, transaction summary reports, monthly transaction reports, and monthly performance reports in a timely manner.

M.5. <u>TECHNICAL EVALUATION</u>

Upon determining Offeror compliance with the minimal technical criteria identified in paragraph M.4 above, the technical evaluation panel will evaluate those proposals for technical compliance with the requirements of this solicitation document. The evaluation will be consistent with the evaluation criteria identified below:

1. Organizational Experience - 10 points

   a. Qualifications of portfolio managers, administrative account servicing, and other investment personnel.

   b. Size, growth, and longevity of proposed fund.

2. Trading - 30 points

   Demonstrated ability and opportunity to minimize trading costs.

3. Tracking of the LBA Index - 10 points

4. Fiduciary and Administrative Competence - 10 points

   a. Ability to carry out fiduciary responsibilities.

   b. Quality of securities lending program.

   c. Ability to provide timely and accurate reports containing the required information.

M.6. COST/PRICE EVALUATION

a. The Board will analyze all technically acceptable proposals to determine the price of each proposal. The Board anticipates assigning 40 points to the price proposal evaluation.

b. The Board will use the information submitted in Section B.3. to determine the proposal with the lowest net fees (defined as management fees plus custodian fees less securities lending income) at each asset level and will assign lower point scores to those proposals with higher net fees at each level, in accordance with the following schedule:

Net Fees On	Point Allocation
First $4.0 billion	25 points
Above $4.0 billion	15 points

c. Cost evaluation points are attributed to each Offerors' net fees as follows: The lowest Offeror receives maximum points for each category. For every basis point above the lowest net fee at each asset level, the corresponding score is reduced 3 points (incremental increases of less than one basis point reduce the score proportionately, e.g., a .5 basis point increase in fees result in a 1.5 point reduction in score).

d. The technical points earned as a result of the evaluation in M.5 will be added to the results of the M.6 evaluation, rendering a total score for each proposal.

M.7. AWARD

a. While the total score will be an important factor in contract award selection, the Board will award any contract resulting from this solicitation to that Offeror presenting the most advantageous offer to the Board, all factors considered.

b. The Board may reject any or all offers, accept other than the offer proposing the lowest management fees, and waive informalities and minor irregularities in offers received.

c. The Board may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the Offeror's best terms from a price and technical standpoint.

M.8. TIME OF AWARD

The Board expects to make an award in CY 2000. The awardee will be expected to conduct system tests associated with the new Thrift Saving Plan record keeping system prior to initiating fund management.

NOTHING FOLLOWS

SECTION M
EVALUATION FACTORS FOR AWARD

M.1. INTRODUCTION

This section sets forth the criteria to be used for the evaluation of all offers. These criteria will be applied to each offer to determine the successful Offeror. The evaluation process is described below.

M.2. EVALUATION OF OFFERS

The Board will select an Offeror for award in accordance with the guidance in FAR Part 15, the Board's Source Evaluation and Selection Procedures, and the terms of this solicitation. The following specific events will occur in the evaluation process:

Step 1. The Board will review all proposals for compliance with the requirements of this solicitation document. Those proposals which do not conform, other than for minor irregularities, will not be given further consideration for award of a contract.

Step 2. The Board's Technical Evaluation Panel will evaluate all technical proposals for compliance with the requirements of Clause M.4, "Minimum Technical Qualifications." Those proposals which do not conform to the requirements of Clause M.4 will not be given further consideration for award of a contract.

Step 3. The Board's Technical Evaluation Panel will conduct a technical evaluation of all proposals which meet the requirements of Clause M.4 and which are not otherwise disqualified from consideration for award of a contract.

Step 4. The Board will evaluate cost/pricing proposals in accordance with Sections B, L, and M.

Step 5. The Board will consider the technical and cost/price evaluations of all rated proposals in order to determine that Offeror whose offer is most advantageous to the Board.

Step 6. The Board will evaluate the responsibility of the apparent successful Offeror in light of the factors set forth in FAR Part 9.

M.3. EVALUATION FACTORS FOR AWARD

a. The Board will make award to that responsible Offeror whose offer conforms to the solicitation and is most advantageous to the Board, cost or price and other factors considered.

b. For this solicitation, technical quality is more important than cost. An evaluation of each offer will be made in the technical area, and if technically acceptable, in the cost area. The technical evaluation carries an 85% weight towards contract award, and the cost/price evaluation carries a 15% weight. A final cost/price score will be developed by combining the final technical evaluation and cost/price scores.

M.4. MINIMUM TECHNICAL QUALIFICATIONS

a. The Technical Proposal must demonstrate compliance with the minimum technical factors listed below in order to be considered for award. Proposals which do not conform to the requirements of this clause will be rejected by the Technical Evaluation Panel prior to technical evaluation.

b. All Offerors must demonstrate compliance with the following:

1. The Offeror must comply with the statutory requirements specified in §§ 8438 and 8478 of Title 5 of the United States Code and must agree to serve as a fiduciary of the Thrift Savings Fund, as defined in § 8477 of Title 5, with respect to all assets of the Fund under management or custody.

2. The Offeror must be a “qualified professional asset manager” as defined in § 8438 of Title 5 of the United States Code.

3. The Offeror must provide a commingled, Year 2000-compliant, daily valued fund suitable for a tax-qualified plan.

4. The offered fund must have a minimum of $5 billion (market value as of January 31, 1999) in assets under management, excluding cash, assets assigned to other managers, and other non-managed assets. The offered commingled fund must have been in operation for a minimum of three years. The firm’s key personnel must have at least three years equity index fund management experience and at least five years equity management experience.

5. The offered fund must track the Wilshire 4500 index.

6. The offered fund must provide a securities lending program.

7. The offered fund must accept trades each business day, on a pre-notification trade basis (i.e., trade executed at closing stock prices on the trade date), with an investment notification deadline no earlier than 2:00 p.m., EST. The offered fund must accept funds to cover purchases one business day after the trade date and must wire redemption proceeds one business day after the trade date.

8. The Offeror must provide, through an electronic data file in the format provided by the Board, to the TSP record keeper on each business day the TSP's share of the proposed fund's total earnings, in dollars, for that business day. Total earnings include capital gain or loss (net of trading costs), dividend income, securities lending income, and any income from the cash account. The daily earnings are to be transmitted as soon as available each business day, but no later than 6:00 p.m. EST.

M.5. <u>TECHNICAL EVALUATION</u>

Upon determining Offeror compliance with the minimal technical criteria identified in paragraph M.4. above, the technical evaluation panel will evaluate those proposals for technical compliance with the requirements of this solicitation document. The evaluation will be consistent with the evaluation criteria identified below:

I. Experience/Organization - 10 points

a. Sustained growth in assets and clients. (6 points)

b. Established Year 2000 compliance program. (4 points)

II. Trading - 45 points

Demonstrated ability to minimize trading costs through:

1. Crossing within the proposed fund

2. Other in-house crossing

3. Crossing with other funds or managers

4. Program trading

5. Other methods

III. Performance - 10 points

Actual (not simulated) historical performance must closely track the Wilshire 4500 index.

IV. Fiduciary/Custodian/Administration - 20 points

a. Established securities lending program with appropriate controls and cash collateral investment guidelines. (10 points)

b. Demonstrated ability to carry out fiduciary responsibilities with appropriate internal risk management guidelines and controls and experienced investment and administrative personnel. (5 points)

c. Demonstrated ability to provide consistently timely daily earnings (unit value) and timely and accurate reports with the required information. (5 points)

M.6. <u>COST/PRICE EVALUATION</u>

a. The Board will analyze all technically acceptable proposals to determine the price of each proposal. The Board anticipates assigning 15 points to the price proposal evaluation.

b. The Board will determine the proposal with the lowest management fees at each asset level and assign lower point scores to those proposals with higher management fees at each level. For every basis point above the lowest management fees at each asset level, the corresponding score is reduced one point (incremental increases of less than one basis point reduce the score proportionately, e.g., a .5 basis point increase in fees results in a .5 point reduction in score) in accordance with the following schedule:

Management Fees On:	Point Allocation
First $10 billion	9 points
Above $10 billion	6 points

M.7. AWARD

a. While the total score will be an important factor in contract award selection, the Board will award any contract resulting from this solicitation to that Offeror presenting the most advantageous offer to the Board, all factors considered.

b. The Board may reject any or all offers, accept other than the offer proposing the lowest management fees, and waive informalities and minor irregularities in offers received.

c. The Board may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the Offeror’s best terms from a price and technical standpoint.

M.8. TIME OF AWARD

The Board expects to make an award by June 1999, to allow the selected Offeror to participate in the system tests for the new Thrift Savings Plan (TSP) record keeping system which are scheduled to be conducted from September through November, 1999.

NOTHING FOLLOWS

SECTION M
EVALUATION FACTORS FOR AWARD

M.1. INTRODUCTION

This section sets forth the criteria to be used for the evaluation of all offers. These criteria will be applied to each offer to determine the successful Offeror. The evaluation process is described below.

M.2. EVALUATION OF OFFERS

The Board will select an Offeror for award in accordance with the guidance in FAR Part 15, the Board's Source Evaluation and Selection Procedures, and the terms of this solicitation. The following specific events will occur in the evaluation process:

Step 1. The Board will review all proposals for compliance with the requirements of this solicitation document. Those proposals which do not conform, other than for minor irregularities, will not be given further consideration for award of a contract.

Step 2. The Board's Technical Evaluation Panel will evaluate all technical proposals for compliance with the requirements of Clause M.4, "Minimum Technical Qualifications." Those proposals which do not conform to the requirements of Clause M.4 will not be given further consideration for award of a contract.

Step 3. The Board's Technical Evaluation Panel will conduct a technical evaluation of all proposals which meet the requirements of Clause M.4 and which are not otherwise disqualified from consideration for award of a contract.

Step 4. The Board will evaluate cost/pricing proposals in accordance with Sections B, L, and M.

Step 5. The Board will consider the technical and cost/price evaluations of all rated proposals in order to determine that Offeror whose offer is most advantageous to the Board.

Step 6. The Board will evaluate the responsibility of the apparent successful Offeror in light of the factors set forth in FAR Part 9.

M.3. EVALUATION FACTORS FOR AWARD

a. The Board will make award to that responsible Offeror whose offer conforms to the solicitation and is most advantageous to the Board, cost or price and other factors considered.

b. For this solicitation, technical quality is more important than cost. An evaluation of each offer will be made in the technical area, and if technically acceptable, in the cost area. The technical evaluation carries an 85% weight towards contract award, and the cost/price evaluation carries a 15% weight. A final cost/price score will be developed by combining the final technical evaluation and cost/price scores.

M.4. MINIMUM TECHNICAL QUALIFICATIONS

a. The Technical Proposal must demonstrate compliance with the minimum technical factors listed below in order to be considered for award. Proposals which do not conform to the requirements of this clause will be rejected by the Technical Evaluation Panel prior to technical evaluation.

b. All Offerors must demonstrate compliance with the following:

1. The Offeror must comply with the statutory requirements specified in §§ 8438 and 8478 of Title 5 of the United States Code and must agree to serve as a fiduciary of the Thrift Savings Fund, as defined in § 8477 of Title 5, with respect to all assets of the Fund under management or custody.

2. The Offeror must be a “qualified professional asset manager” as defined in § 8438 of Title 5 of the United States Code.

3. The Offeror must provide a commingled, Year-2000 compliant, daily valued fund suitable for a tax-qualified plan.

4. The offered fund must have a minimum of $2.5 billion (market value as of January 31, 1999) in assets under management, excluding cash, assets assigned to other managers, and other non-managed assets. The offered commingled fund must have been in operation for a minimum of three years. The firm’s key personnel must have at least three years equity index fund management experience and at least five years equity management experience.

5. The offered fund must replicate the EAFE index.

6. The offered fund must provide a securities lending program.

7. The offered fund must accept trades each business day, with an investment notification deadline no earlier than 2:00 p.m., EST. The offered fund must accept funds to cover purchases one business day after the trade date and must wire redemption proceeds one business day after the trade date.

8. The Offeror must provide, through an electronic data file in the format provided by the Board, to the TSP record keeper on each business day the TSP's share of the proposed fund's total earnings, in dollars, for that business day. Total earnings include capital gain or loss (net of trading costs), dividend income, securities lending income, and any income from the cash account. The daily earnings are to be transmitted as soon as available each business day, but no later than 6:00 p.m. EST.

M.5. TECHNICAL EVALUATION

Upon determining Offeror compliance with the minimal technical criteria identified in paragraph M.4. above, the technical evaluation panel will evaluate those proposals for technical compliance with the requirements of this solicitation document. The evaluation will be consistent with the evaluation criteria identified below:

I. Experience/Organization - 10 points

a. Sustained growth in assets and clients. (6 points)

b. Established Year 2000 compliance program. (4 points)

II. Trading - 45 points

Demonstrated ability to minimize trading costs through:

1. Crossing within the proposed fund

2. Other in-house crossing

3. Crossing with other funds or managers

4. Program trading

5. Other methods

III. Performance - 10 points

Actual (not simulated) historical performance must closely track the EAFE index.

IV. Fiduciary/Custodian/Administration - 20 points

a. Established securities lending program with appropriate controls and cash collateral investment guidelines. (10 points)

b. Demonstrated ability to carry out fiduciary responsibilities with appropriate internal risk management guidelines and controls and experienced investment and administrative personnel. (5 points)

c. Demonstrated ability to provide consistently timely daily earnings (unit value) and timely and accurate reports with the required information. (5 points)

M.6. COST/PRICE EVALUATION

a. The Board will analyze all technically acceptable proposals to determine the price of each proposal. The Board anticipates assigning 15 points to the price proposal evaluation.

b. The Board will determine the proposal with the lowest management fees at each asset level and assign lower point scores to those proposals with higher management fees at each level. For every basis point above the lowest management fees at each asset level, the corresponding score is reduced one point (incremental increases of less than one basis point reduce the score proportionately, e.g., a .5 basis point increase in fees results in a .5 point reduction in score) in accordance with the following schedule:

Management Fees On:	Point Allocation
First $3 billion	9 points
Above $3 billion	6 points

M.7. AWARD

a. While the total score will be an important factor in contract award selection, the Board will award any contract resulting from this solicitation to that Offeror presenting the most advantageous offer to the Board, all factors considered.

b. The Board may reject any or all offers, accept other than the offer proposing the lowest management fees, and waive informalities and minor irregularities in offers received.

c. The Board may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the Offeror's best terms from a price and technical standpoint.

M.8. TIME OF AWARD

The Board expects to make an award by June 1999, to allow the selected Offeror to participate in the system tests for the new Thrift Savings Plan (TSP) record keeping system which are scheduled to be conducted from September through November, 1999.

NOTHING FOLLOWS