

ARC Pension Actuarial Services RFP

**Due to the delay in posting the Questions and Answers, the RFP due date will be extended to October 24, 2018.*

<u>Question</u>	<u>Answer</u>
Provide copies of the most recent Actuarial Valuation Reports (and GASB 67/68 Reports, if separate) for the defined benefits plan.	<i>Document provided.</i>
The RFP mentions that the ARC benefits committee is responsible for administering the plan. We just wanted to confirm that the administrative needs described in the statement of needs referred only to advisory services as administrative issues arise – the plan's administration is handled in-house, correct?	<i>Yes</i>
How long has the ARC been served by its current Actuarial firm? Are there any major issues with the service ARC has received? Is the current provider being invited to bid?	<i>1. Approximately 10 years. 2. There are no major issues with the current services. ARC must routinely procure services to maintain federal procurement compliance. 3. Yes.</i>
We noticed that there are also OPEB disclosures published in a GASB 74/75 report by the same actuarial firm for the ARC. Are the OPEB actuarial services also intended to be covered by this RFP, or is that a separate engagement?	<i>Yes, covered by this RFP</i>
Would you be able to provide a breakdown of recent billings/charges for actuarial work under the current agreement for the prior three years?	<i>No. Total billing was approximately \$ 35,000.00.</i>
Would you please provide copies of the plan document, most recent government filings, and the most recent actuarial valuation reports for funding and GASB 67/68 purposes?	<i>Documents provided with the exception of filings, as we are not under ERISA.</i>
What have the annual fees been for the services requested (e.g., funding valuation report, GASB reporting, benefit statements, benefit calculations)?	<i>Approximately \$35,000</i>
What have the out of scope fees been for additional services requested of the incumbent actuary for each of the last three years?	<i>Approximately \$5,000</i>
Are there any service issues with the incumbent actuary?	<i>No, ARC must routinely procure services to maintain federal procurement compliance.</i>
Is the incumbent actuary allowed to bid on the services?	<i>Yes.</i>
Is the ARC willing to accept a limitation of liability provision in the contract?	<i>ARC cannot legally indemnify. Any other limitation would need to be strictly constructed in respect to that limitation, and would require further review or negotiation.</i>

1. Why is the search being conducted?	<i>ARC must routinely procure services to maintain federal procurement compliance.</i>
2. What firm currently provides the services for the plans?	<i>Southern Actuarial Services</i>
3. Are they invited to rebid?	<i>Yes.</i>
1. Copy of most recent funding and GASB 67/68 actuarial report(s)	<i>Document provided.</i>
2. Copy of most recent experience study	<i>Not Available</i>
3. Copy of benefit statement	<i>Sample provided.</i>
4. Latest quarterly investment report	<i>Document provided.</i>
1. How long has the current actuary been providing actuarial services?	<i>Approximately 10 years</i>
2. Are there any service concerns and/or limitations with the current actuary?	<i>No.</i>
3. How many calculations annually, on average, is the actuary expected to perform?	<i>Approximately 15-20</i>
4. How often are the tables listed under item #9 updated?	<i>An average of 2 times a year.</i>
5. How many meetings annually, on average, has the actuary attended the last 3 years?	<i>Average of 6 -10 meetings per year</i>
6. What are the total annual fees billed in the last <u>three</u> years?	<i>Approximately \$35,000</i>
7. What have been the annual fees for benefit calculations only the last three years?	<i>Approximately \$5000</i>
8. What special and/or out of scope services has been billed for in the last <u>two</u> years? How many hours were billed for these services?	<i>Approximately \$3,500 in out of contract services. Services were billed on a flat rate</i>
Our standard consulting agreement terms and conditions include some limitation on liability for mere negligence or from consequential damages. Is the ARC open to accepting mutually-agreeable contract terms, which include some limitation of liability on the work performed by the contracting actuarial firm?	<i>ARC cannot legally indemnify. Any other limitation would need to be strictly constructed in respect to that limitation, and would require further review or negotiation.</i>