

## SERS RFP Questions

1. Why are proposals for actuarial services being requested at this time?

**The existing contract for actuarial services is expiring effective June 30, 2023.**

2. When was the last time the actuarial services were put out for bid?

**2018**

3. How long has the current/incumbent actuary(s) been providing services?

**The current actuarial firm has been providing actuarial services for the Connecticut State Employees Retirement Commission from July 1, 2013 to present.**

4. Are there any service concerns with the incumbent actuary?

**No. The current actuarial firm has fulfilled its obligations under the existing contract.**

5. Is the incumbent actuary permitted to bid on this RFP?

**Yes. The incumbent is eligible to submit a proposal.**

6. In what format; e.g., Excel, Access or other, is member data submitted to the actuary?

**Excel.**

7. Can you please provide a copy of the most recent experience investigation report for the five-year period ending June 30, 2020 for all three systems?

**Given the short turnaround time to respond to questions from potential vendors, this process is limited to answering questions about the RFP itself or the RFP process. For additional information related to actuarial reports please go to the following webpage: <http://www.osc.ct.gov/rbsd/reports/index.html>.**

8. Can you please confirm if you are requesting three separate actuarial report (for funding, GASB 67 and GASB 68 purposes) for each of the three systems (SERS, JFSMCCRS and PJERS)?

**Yes. We are requesting three separate actuarial reports for each of the three systems.**

9. Can you please provide the annual actuarial fees paid to the current actuary for the last three years for services comparable to those included in the RFP for each of the three systems (SERS, JFSMCCRS and PJERS)?

- **SERS: FYE 2020 \$104,561; FYE 2021 \$70,835; FYE 2022 \$149,445**
- **JFSMCCRS: FYE 2020 \$11,000; FYE 2021 \$6,000; FYE 2022 \$16,000**
- **PJERS: FYE 2020 \$11,000; FYE 2021 \$11,000; FYE 2022 \$22,000**

10. Can you please provide the hourly rates being charged by your current actuary for non-fixed fee special projects for the last three years?

**Consulting or Senior Actuary = \$320-\$396/hr**

**Managing Director = \$300-\$360/hr**

**Senior Consultant = \$276-\$320/hr**

**Actuary = \$276-\$320/hr**

**Consultant = \$240-\$276/hr**

**Senior Actuarial Analyst = \$240-\$276/hr**

**Actuarial Analyst = \$180-240/hr**

**Other = \$116/hr**

11. Can you please provide the fee for the most recent experience investigation study for the five-year (or four year) period ending June 30, 2020 for each of the three systems (SERS, JFSMCCRS and PJERS)?

- **SERS: \$45,000**
- **JFSMCCRS: \$8,000**
- **PJERS: \$8,000**

12. Section A. 3. of the RFP indicates “Attendance at up to a total of six meetings per year with the Commission.....” Are these meetings in person or virtual?

**All meetings from April 2020 to present have been virtual. While we reserve the right to request in person attendance if absolutely necessary or preferred, we anticipate that virtual attendance will remain an option throughout the term of this contract.**

13. What are the most significant financial, administrative or other challenges facing the Comptroller and/or the Connecticut State Employees Retirement Commission with regard to managing the systems?

- **The SERS is not well funded;**
- **We recently transitioned to a new information management system and continue to perfect the conversion of legacy data;**
- **The Retirement Commission has been required to develop the cost impact to the SERS fund for various pending and completed litigation matters; and**
- **There have been recent changes to the actuarial assumptions and funding methods required by the state legislature, and it is possible that additional modeling may be required in connection with future changes or proposals.**

14. Proposal Submission Requirements Section B. Sealed Proposals on Page 6 of the RFP states “Any proposer that submits information that includes confidential information that the Proposer identifies is exempt under the Connecticut Freedom of Information (“FOI”) Act pursuant to Chapter 14 of the Connecticut General Statutes must also provide one copy of its RFP response from which all such data and information has been redacted and identifies the applicable FOI exemptions and which may be disclosed without objection if the State receives a Freedom of Information Act (“FOIA”) request for its proposal.” It is unclear to us if (1) fixed fees and (2) hourly rates are exempt from disclosure in accordance with Section 1.210. Exempt Records, (b) (5) (a) Trade Secrets of the Connecticut Freedom of Information Act and therefore may be redacted in our proposal. Can you confirm if we redact fixed fees and hourly rates, that our proposal will not be returned for noncompliance with the terms of the RFP?

**The assertion of exemptions under the FOI Act are up to the proposer. Should the OSC receive an FOI request for the proposal, it will release the version of the proposal that it has on file, starting with the redacted version, and if no redacted version is on file, the version that is on file. Should an FOI requestor file an FOI complaint and is adjudicated by the FOI Commission, the proposer has the burden of showing why the exemptions apply.**

15. The Objective and Background section of the RFP states “The contract period will commence on or about July 1, 2023 and expire on June 30, 2025, with an option for an additional one-year extension.” Page 4 of the RFP states “The State of Connecticut is seeking a contract-effective date commencing July 1, 2023 and is expected to be a four-year agreement with the possibility of up to 1 one-year extension, upon mutual agreement of the parties and upon final approval by the Office of the Attorney General.” Please confirm the contract period.

**The contract period will commence on or about July 1, 2023 and expire on June 30, 2027, with an option for an additional one-year extension.**

16. Pages 3-4 of the RFP lists the selection criteria. Please provide a weighting percentage assigned to each of the criteria, if available.

EVALUATION CRITERIA		WEIGHTING FACTOR
<b>No. 1</b>	Previous work experience on similar projects. Proposers will be evaluated on their past performance to include, but not limited to, failure to meet specifications, poor quality and late delivery.	<b>15</b>
<b>No. 2</b>	Proposer’s understanding of the project’s purpose and scope, as evidenced by the proposed approach and level of effort.	<b>15</b>
<b>No. 3</b>	Proposed cost.	<b>10</b>
<b>No. 4</b>	Availability and competence of Proposer’s personnel.	<b>10</b>
<b>No. 5</b>	Conformity with specifications contained herein.	<b>10</b>

<b>No. 6</b>	Proposer's ability to keep the Commission informed of significant changes in the laws and regulations governing public pension plan administration.	<b>5</b>
<b>No. 7</b>	Demonstration of Proposer's commitment to affirmative action by full compliance with the regulations of the Commission on Human Rights and Opportunities.	<b>10</b>
<b>No. 8</b>	Possible and previous conflicts of interest (within the last ten years).	<b>10</b>
<b>No. 9</b>	Past (within the last ten years) and pending litigation involving the Proposer and pension plans or retirement systems.	<b>10</b>
<b>No. 10</b>	At the option of the Actuarial Subcommittee, Proposer's oral interview.	<b>5</b>

17. Are there any service concerns and/or limitations with the current Actuary?

**No. The current actuarial firm has fulfilled its obligations under the existing contract.**

18. What were the total fees paid by the Comptroller's office for these services in the last three years? What were the total fees paid by the Pension fund for these services in the last three years?

**See total fees paid in question 9. All were paid from the pension fund.**

19. What were the total fees for the SERS annual valuation over the last 3 years? Were any of these fees paid by the pension fund? If so, how much?

**All fees were paid from the pension fund. FYE 2020 \$72,500; FYE 2021 \$60,000; FYE 2022 \$85,000**

20. What were the total fees for the JFSMCCRS annual valuation over the last 3 years? Were any of these fees paid by the pension fund? If so, how much?

**All fees were paid from the pension fund. FYE 2020 \$11,000; FYE 2021 \$6,000; FYE 2022 \$16,000**

21. What were the total fees for the PJERS annual valuation over the last 3 years? Were any of these fees paid by the pension fund? If so, how much?

**All fees were paid from the pension fund. FYE 2020 \$11,000; FYE 2021 \$11,000; FYE 2022 \$22,000**

22. What were the total fees for GASB 67/68 accounting disclosures over the last 3 years? Please provide breakdown by plan.

**GASB expenses are included in the Valuation costs.**

23. What special projects or out of scope services has been billed over the last two years?

**Various impact studies such as changes to actuarial assumptions, plan transfers and litigation settlement calculations. Calculations relating to 415b limits and some other individual calculations.**

24. Our firm prefers to contract for actuarial services with a limit on liability for ordinary mistakes. However, we accept unlimited liability for: (i) willful, fraudulent or criminal misconduct, (ii) breach of the confidentiality provisions; and (iii) bodily injury, including death, or damage to tangible personal or real property incurred while performing the Services and to the extent caused by the negligent or willful acts or omissions of our personnel. Please confirm that the State is willing to negotiate a prudent amount of potential payment that is acceptable to both parties, with exceptions noted.

**While proposers are expected to accept the state's standard contract provisions and must comply with all related state and federal laws, all contract provision modification proposals by the selected proposer will be reviewed by the OSC and must be approved by the Office of the Attorney General.**