



Fresno County Employees' Retirement Association

REQUEST FOR PROPOSAL

1111 H Street
Fresno, California 93721
Phone: (559) 457-0681 FAX: (559) 457-0318
dkendig@co.fresno.ca.us
www.FCERA.org

Request for Proposal No. 20160817.1

Actuarial Services

August 17, 2016

Closing date of Bid will be at 5:00 P.M. on September 21, 2016

All proposal information will be available for review after contract award.

Clarifications of specifications are to be directed to: Donald C. Kendig, phone (559) 457-0681, FAX (559) 457-0318.

IMPORTANT: SUBMIT PROPOSAL IN SEALED PACKAGE WITH PROPOSAL No., AND PROPOSER'S NAME AND ADDRESS MARKED CLEARLY ON THE OUTSIDE

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

STANDARD INSTRUCTIONS AND CONDITIONS FOR REQUESTS FOR PROPOSALS (RFP'S) AND REQUESTS FOR QUOTATIONS (RFQ'S)

Note: the reference to "bids" in the following paragraphs applies to RFP's and RFQ's

GENERAL CONDITIONS

By submitting a bid the Bidder agrees to the following conditions. These conditions will apply to all subsequent purchases based on this bid.

1. BID PREPARATION:

- A) All prices and notations must be typed or written in ink. No erasures permitted. Errors may be crossed out, initialed and corrections printed in ink by person signing bid.
- B) Brand Names: Brand names and numbers when given are for reference. Equal items will be considered, provided the offer clearly describes the article and how it differs from that specified. In the absence of such information it shall be understood the offering is exactly as specified.
- C) State brand or make of each item. If bidding on other than specified, state make, model and brand being bid and attach supporting literature/specifications to the bid.
- D) Bid on each item separately. Prices should be stated in units specified herein. All applicable charges must be quoted; charges on invoice not quoted herein will be disallowed.
- E) Time of delivery is a part of the consideration and must be stated in definite terms and must be adhered to. F.O.B. Point shall be destination or freight charges must be stated.
- F) All bids must be dated and signed with the firm's name and by an authorized officer or employee.
- G) Unless otherwise noted, prices shall be firm for 120 days after closing date of bid.

2. SUBMITTING BIDS:

- A) Each bid must be submitted on forms provided in a sealed envelope with bid name and closing date and time on the outside of the envelope/package.
- B) Interpretation: Should any discrepancies or omissions be found in the bid specifications or doubt as to their meaning, the Bidder shall notify FCERA in writing at once. FCERA shall not be held responsible for verbal interpretations. Questions regarding the bid must be received by FCERA by **August 31, 2016**. All addenda issued shall be in writing, duly issued by FCERA and incorporated into the contract.
- C) ISSUING AGENT/AUTHORIZED CONTACT: This RFP/RFQ has been issued by the Fresno County Employees' Retirement Association (FCERA). FCERA shall be the Vendor's sole point of contact with regard to the RFP/RFQ, its content, and all issues concerning it.

All communication regarding this RFP/RFQ shall be directed to an authorized representative of FCERA. The specific person managing this RFP/RFQ is identified on the cover page, along with his or her telephone number, and he or she should be the primary point of contact for discussions or information pertaining to the RFP/RFQ. Contact with any other FCERA representative, including elected officials, for the purpose of discussing this RFP/RFQ, its content, or any other issue concerning it, is prohibited unless authorized by FCERA. Violation of this clause, by the Vendor having unauthorized contact (verbally or in writing) with such other FCERA representatives, may constitute grounds for rejection by FCERA of the Vendor's quotation.

The above stated restriction on Vendor contact with FCERA representatives shall apply until FCERA has awarded a purchase order or contract to a Vendor or Vendors, except as follows. First, in the event that a Vendor initiates a formal protest against the RFP/RFQ, such Vendor may contact the appropriate individual, or individuals who are managing that protest as outlined in FCERA's established protest procedures. All such contact must be in accordance with the sequence set forth under the protest procedures. Second, in the event a public hearing is scheduled before the Board of Retirement to hear testimony prior to its approval of a purchase order or contract, any Vendor may address the Board.

- D) Bids received after the closing time will NOT be considered.
 - E) Bidders are to bid what is specified or requested first. If unable to or willing to, Bidder may bid alternative or option, indicating all advantages, disadvantages and their associated cost.
 - F) Bids must comply with Business and Professions Code Section 7028.15.
 - G) Where the State of California requires a Contractor's license, it is a misdemeanor for any person to submit a bid unless specifically exempted.
- #### 3. TAXES, CHARGES AND EXTRAS:
- A) FCERA is subject to California sales and/or use tax. Please indicate as a separate line item if applicable.
 - B) Charges for transportation, containers, packing, etc. will not be paid unless specified in bid.

Proposal No. 20160817.1

4. W-9 – REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION:

Upon award of bid, the Vendor shall submit to FCERA, a completed W-9 - Request for Taxpayer Identification Number and Certification if not already a current vendor with FCERA. This form is available from the IRS to complete on line at <http://www.irs.gov/pub/irs-pdf/fw9.pdf>.

5. AWARDS:

- A) Subject to the local preference provisions referenced in Paragraph 6 below and more thoroughly set forth in the General Requirements section of this RFP/RFO, award(s) will be made to the most responsive responsible Bidder. The evaluation will include such things as life-cycle cost, availability, delivery costs and whose product and/or service is deemed to be in the best interest of FCERA. FCERA shall be the sole judge in making such determination.
- B) Unless Bidder gives notice of all-or-none award in bid, FCERA may accept any item, group of items or on the basis of total bid.
- C) FCERA reserves the right to reject any and all bids and to waive informalities or irregularities in bids.
- D) After award, all bids shall be open to public inspection. FCERA assumes no responsibility for the confidentiality of information offered in a bid.

6. TIE BIDS:

All other factors being equal, the contract may be awarded by the flip of a coin in the presence of witnesses or the entire bid may be rejected and re-bid.

7. PATENT INDEMNITY:

The Vendor shall hold FCERA, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with this bid.

8. SAMPLES:

Samples, when required, must be furnished and delivered free and, if not destroyed by tests, will upon written request (within 30 days of bid closing date) be returned at the Bidder's expense. In the absence of such notification, FCERA shall have the right to dispose of the samples in whatever manner it deems appropriate.

9. RIGHTS AND REMEDIES OF FCERA FOR DEFAULT:

- A) In case of default by Vendor, FCERA may procure the articles or service from another source and may recover the cost difference and related expenses occasioned thereby from any unpaid balance due the Vendor or by proceeding against performance bond of the Vendor, if any, or by suit against the Vendor. The prices paid by FCERA shall be considered the prevailing market price at the time such purchase is made.
- B) Articles or services, which upon delivery inspection do not meet specifications, will be rejected and the Vendor will be considered in default. Vendor shall reimburse FCERA for expenses related to delivery of non-specified goods or services.

- C) Regardless of F.O.B. point, Vendor agrees to bear all risks of loss, injury or destruction to goods and materials ordered herein which occur prior to delivery and such loss, injury or destruction shall not release Vendor from any obligation hereunder.

10. DISCOUNTS:

Terms of less than 15 days for cash payment will be considered as net in evaluating this bid. A discount for payment within fifteen (15) days or more will be considered in determining the award of bid. Discount period will commence either the later of delivery or receipt of invoice by FCERA. Standard terms are Net Forty-five (45) days.

11. SPECIAL CONDITIONS IN BID SCHEDULE SUPERSEDE GENERAL CONDITIONS.

The "General Conditions" provisions of this RFP/RFO shall be superseded if in conflict with any other section of this bid, to the extent of any such conflict.

12. SPECIAL REQUIREMENT:

With the invoice or within twenty-five (25) days of delivery, the seller must provide to FCERA a Material Safety Data Sheet for each product, which contains any substance on "The List of 800 Hazardous Substances", published by the State Director of Industrial Relations. (See Hazardous Substances Information and Training Act. California State Labor Code Sections 6360 through 6399.7.)

13. RECYCLED PRODUCTS/MATERIALS:

Vendors are encouraged to provide and quote (with documentation) recycled or recyclable products/materials which meet stated specifications.

14. CONFIDENTIALITY:

All services performed by Vendor shall be in strict conformance with all applicable Federal, State of California and/or local laws and regulations relating to confidentiality, including but not limited to, California Civil Code, California Welfare and Institutions Code, Health and Safety Code, California Code of Regulations, Code of Federal Regulations.

Vendor shall submit to FCERA's monitoring of said compliance.

Vendor may be a business associate of FCERA, as that term is defined in the "Privacy Rule" enacted by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). As a HIPAA Business Associate, Vendor may use or disclose protected health information ("PHI") to perform functions, activities or services for or on behalf of FCERA as specified by FCERA, provided that such use or disclosure shall not violate HIPAA and its implementing regulations. The uses and disclosures of PHI may not be more expansive than those applicable to FCERA, as the "Covered Entity" under HIPAA'S Privacy Rule, except as authorized for management, administrative or legal responsibilities of the Business Associate.

Vendor shall not use or further disclose PHI other than as permitted or required by FCERA, or as required by law without written notice to FCERA.

Vendor shall ensure that any agent, including any subcontractor, to which Vendor provides PHI received from, or created or received by the Vendor on behalf of FCERA, shall comply with the same restrictions and conditions with respect to such information.

Proposal No. 20160817.1

15. APPEALS

Appeals must be submitted in writing within seven (7) working days after the review committee notification of proposed recommendations. Appeals should be submitted to FCERA, 1111 H Street, Fresno, California 93721. Appeals should address only areas regarding RFP contradictions, procurement errors, quotation rating discrepancies, legality of procurement context, conflict of interest, and inappropriate or unfair competitive procurement grievance regarding the RFP process.

The Retirement Administrator will provide a written response to the complaint within seven (7) working days unless the complainant is notified more time is required.

If the protesting Bidder is not satisfied with the decision of the Retirement Administrator, he/she shall have the right to appeal to the

Board of Retirement within seven (7) business days after notification of the Retirement Administrator's decision.

16. OBLIGATIONS OF CONTRACTOR:

- A) Contractor shall perform as required by the ensuing contract. Contractor also warrants on behalf of itself and all subcontractors engaged for the performance of the ensuing contract that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.
- B) Contractor shall obey all Federal, State, local and special district laws, ordinances and regulations.

BIDDER TO COMPLETE

UNDERSIGNED AGREES TO FURNISH THE COMMODITY OR SERVICE STIPULATED IN THE ATTACHED PROPOSAL SCHEDULE AT THE PRICES AND TERMS STATED, SUBJECT TO THE "FCERA STANDARD INSTRUCTIONS AND CONDITIONS FOR REQUEST FOR PROPOSALS (RFP'S) AND REQUESTS FOR QUOTATIONS (RFQ'S)".

Except as noted on individual items, the following will apply to all items in the Proposal Schedule.

COMPANY

ADDRESS

CITY

STATE

ZIP CODE

()

TELEPHONE NUMBER

()

FACSIMILE

E-MAIL ADDRESS

SIGNED BY

PRINT NAME

TITLE

**NON-COLLUSION AFFIDAVIT TO BE EXECUTED BY
PROPOSER AND SUBMITTED WITH RFP**

(Title 23 United States Code Section 112 and
Public Contract Code Section 7106)

To the Fresno County Employees' Retirement Association (FCERA):

In accordance with Title 23 United States Code Section 112 and Public Contract Code 7106 the Proposer declares that the RFP is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived or agreed with any Proposer or anyone else to put in a sham proposal or that anyone shall refrain from proposing; that the Proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the Proposer or any other Proposer, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other Proposer, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and, further, that the Proposer has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, proposal, depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

DECLARATION UNDER PENALTY OF PERJURY

The undersigned Proposer declares and certifies under the penalty of perjury: that the only persons or parties interested in this RFP as principals are those named herein as Proposer, that he/she holds the position indicated below as a corporate officer or the owner or a partner in the business entity submitting this proposal; that the undersigned has examined the "Standard Instructions And Conditions For Requests For Proposals (RFP's) And Requests For Quotations (RFQ's)"; that the undersigned is informed of all the relevant facts surrounding the preparation and submission of this RFP, that the undersigned (if awarded a contract) will execute and fully perform the contract for which the proposals are called; that the undersigned will perform all the work and/or furnish all the materials specified in the contract, in the manner and time therein prescribed, and according to the requirements as therein set forth; and that the undersigned will take in full payment therefore, the prices set forth in the pricing schedule of the contract; that the undersigned knows and represents and warrants to FCERA in care of the County of Fresno that this proposal is prepared and submitted without collusion with any other person, business entity, or corporation with any interest in this proposal.

I declare under penalty of perjury that the foregoing is true and correct.

Name of Proposer: _____

*Type of Business: Individual doing business under own name Corporation
 Individual doing business using a firm name Partnership
 Joint Venture (Please attach Joint Venture Agreement) Other: _____

Business Address: _____

City, State, Zip Code: _____

Dated: _____

By: _____
(Signature) (Print Initials)

Name: _____
(Type or Print Name)

Title: _____

Email Address: _____

Telephone Number: _____ Fax Number: _____

*To be signed by authorized corporate officer or partner or individual submitting the proposal.

EXAMPLE

| | |
|---|---|
| If Proposer is: | Sign: |
| 1. ...An individual doing business under own name | Your name only |
| 2. An individual using a firm name | John Doe, an individual doing business as XYZ Company |
| 3. A Partnership | John Doe and Richard Roe, partners doing business as XYZ Company, By John Doe, partner |
| 4. A Corporation | XYZ Company, by John Doe, secretary (or other title) |

Note: The above Non-collusion Affidavit is part of the RFP. Signing this RFP on the signature portion thereof shall also constitute signature of this Non-collusion Affidavit. Proposers are cautioned that making a false certification may subject the certifier to criminal prosecution.

TABLE OF CONTENTS

| | <u>PAGE</u> |
|-------------------------------------|-------------|
| OVERVIEW | 6 |
| KEY DATES | 7 |
| PROPOSAL CONTENT REQUIREMENTS | 8 |
| PROPOSAL IDENTIFICATION SHEET | 11 |
| TRADE SECRET ACKNOWLEDGEMENT | 12 |
| REFERENCE LIST..... | 14 |
| GENERAL REQUIREMENTS | 15 |
| SPECIFIC TERMS AND CONDITIONS | 22 |
| SCOPE OF WORK..... | 23 |
| COST PROPOSAL..... | 26 |
| AWARD CRITERIA | 27 |

Links (<http://www2.co.fresno.ca.us/9200/reports.htm>):

- A. July 1, 2012 through June 30, 2015 Experience Study
(http://www2.co.fresno.ca.us/9200/attachments/Reports/Experience_Study/20160316-6A-ActuarialExperienceStudyandEconomicAssumptions.pdf)

- B. Three-Year Phase-in of Increase in Employer Contribution Rate Starting 2017/2018 Due to Changes in Actuarial Assumptions from July 2, 2012 through June 30, 2015 Actuarial Experience Study
(<http://www2.co.fresno.ca.us/9200/Attachments/Agendas/2016/20160406/20160406-4F-ContributionPhaseIn-0LTR.pdf>)

- C. June 30, 2015 Actuarial Valuation
(http://www2.co.fresno.ca.us/9200/Attachments/Reports/Actuary_Valuation/Actuarial_Valuation_06302015.pdf)

- D. June 30, 2015 GASB 67 Report
(<http://www2.co.fresno.ca.us/9200/Attachments/Agendas/2015/121615/20151216-6B-GASB67ActuarialValuation0630215-Compiled.pdf>)

- E. June 30, 2016 GASB 68 Report
(http://www2.co.fresno.ca.us/9200/Attachments/Reports/Actuary_Report/GASB68_063016.pdf)

OVERVIEW

Fresno County Employees' Retirement Association (FCERA) requests proposals from qualified actuarial consulting firms interested in providing a range of actuarial services while functioning as actuarial advisor to the FCERA Board of Retirement and the Retirement Administrator of the association.

FCERA was established in 1945 as a contributory defined benefit plan organized under the provisions of the 1937 County Employees Retirement Law (1937 Act). FCERA provides lifetime benefits upon retirement, death or disability of members. FCERA is a cost-sharing, multiple-employer plan that includes substantially all full-time employees and permanent part-time employees who work 50% or more for the plan sponsors, including the County of Fresno, Superior Court of California-County of Fresno, Clovis Memorial District, Fresno Mosquito and Vector Control, and the Fresno-Madera Area Agency on Aging.

FCERA currently administers retirement benefits for approximately 7,300 active and 3,200 deferred members and 7,050 retired members and beneficiaries. The active and deferred membership is composed of general and safety classifications, each with multiple tiers. Member contribution rates are established based on the member's age at the time of employment. Tier 5 members pay 50% of the normal cost. The contribution rates are established based on the Plan Actuary's recommendation. Please see the latest actuarial report and experience study for more information. FCERA currently administers approximately \$4.0 billion in plan assets.

| Membership | Tier | Status |
|-------------------|-------------|---------------------|
| General | 1 | Closed to New Hires |
| General | 2 | Closed to New Hires |
| General | 3 | Closed to New Hires |
| General | 4 | Closed to New Hires |
| General | 5 | Open |
| Safety | 1 | Closed to New Hires |
| Safety | 2 | Closed to New Hires |
| Safety | 4 | Closed to New Hires |
| Safety | 5 | Open |

FCERA retains the services of an independent actuarial firm to conduct an actuarial valuation every year and an experience study every third year. The most recent actuarial valuation is based on data as of June 30, 2015, and the last triennial report is for July 1, 2012 through June 30, 2015.

FCERA is asking qualified firms to provide information covering the cost and related engagement personnel to provide the solicited actuarial services beginning with the fiscal year ending June 30, 2017.

KEY DATES

- RFP Issue Date:** **August 17, 2016**
- Vendor Conference:** **None Scheduled.**
Questions should be e-mailed to dkendig@co.fresno.ca.us or faxed to (559) 457-0318
- Deadline for Written or Fax Requests for Interpretations or Corrections of RFP:** August 31, 2016
Fax No. (559) 457-0318
- RFP Closing Date:** **September 21, 2016 at 5:00 P.M.**
FCERA
1111 H Street
Fresno, CA 93721
dkendig@co.fresno.ca.us

Submit one (1) original, one (1) copy and one (1) electronic copy

ENGAGEMENT PROCESS

The following timetable outlines the anticipated conduct of the process:

| | |
|---|-------------------------|
| Request for Proposal (RFP) Posted to FCERA Website: | August 17, 2016 |
| Deadline for Questions and Clarifications | August 31, 2016 |
| Questions and Responses Posted to FCERA Website: | September 6, 2016 |
| Deadline for Submission of Proposals | September 21, 2016 |
| Evaluation Completed and Finalist Selected | September 28, 2016 |
| Reference Checking and Potential Site Visits | September 29 - 14, 2016 |
| Finalist Presentations to Board of Retirement | November 2, 2016 |
| Contract Negotiations Completed | December 7, 2016 |

PROPOSAL CONTENT REQUIREMENTS

Bidders are requested to submit their proposals in a binder (one that allows for easy removal of pages) with index tabs separating the sections identified. Each page should be numbered.

Merely offering to meet the specifications is insufficient and will not be accepted. Each Bidder shall submit a complete proposal with all information requested. Supportive material may be attached as appendices. All pages, including the appendices, must be numbered.

The content and sequence of the proposals will be as follows:

- I. PROPOSAL IDENTIFICATION SHEET (as provided)
- II. TRANSMITTAL LETTER: A one-page transmittal letter must be submitted on the firm's official business letterhead. The letter is to transmit the proposal and provide an introduction to the firm. The transmittal letter include the name, address and telephone number of the person or persons to be used for contact and who will be authorized to make representations for the Bidder. The transmittal letter must be signed by individual authorized to commit the consulting actuary to the scope of the work proposed at the price quoted in the firm's cost proposal.
 - A. Whether the Bidder is an individual, partnership or corporation shall also be stated. It will be signed by the individual, partner, or an officer or agent of the corporation authorized to bind the corporation, depending upon the legal nature of the Bidder. A corporation submitting a proposal may be required before the contract is finally awarded to furnish a certificate as to its corporate existence, and satisfactory evidence as to the officer or officers authorized to execute the contract on behalf of the corporation.
- III. TABLE OF CONTENTS
- IV. EXECUTIVE SUMMARY: The executive summary contains a condensed overview of the contents of each of the major sections of the proposal to provide members of the FCERA Evaluation Team with a broad understanding of the entire proposal. The executive summary should begin with an overview of the firm's organization and prior experience, identify key employees who will serve FCERA and their qualifications. It should also present highlights from the firm's Proposed Workplan and Detailed Cost Projection.
- V. CONFLICT OF INTEREST STATEMENT: The Contractor may become involved in situations where conflict of interest could occur due to individual or organizational activities that occur within FCERA. In this section the Bidder should address the potential, if any, for conflict of interest and indicate plans, if applicable, to address potential conflict of interest. This section will be reviewed by FCERA Counsel for compliance with conflict of interest as part of the review process. The Contractor shall comply will all federal, state and local conflict of interest laws, statutes and regulations.
- VI. ACKNOWLEDGMENTS AND AFFIDAVIT:
 - A. Sign and return Trade Secrets Acknowledgement (form provided)
 - B. Sign and return Non-Collusion Affidavit (form provided)

- C. Sign and return Standard Instructions and Conditions Acknowledgement (form provided)
- VII. EXCEPTIONS: If the RFP responder has any exceptions to the requirements of the RFP, this section should include a description of those exceptions. If exceptions are not noted, FCERA will assume that the Bidder's proposals meet those requirements. The exceptions shall be noted as follows:
- A. Exceptions to General Requirements.
 - B. Exceptions to Background/Scope of Work.
 - C. Exceptions to Specific Terms and Conditions.
 - D. Exceptions to Proposal Content Requirements.
- VIII. VENDOR COMPANY DATA: This section should include:
- A. The highlights of the firm's corporate resources, including total staff, organizational structure, financial stability, technical environment and details of previous experience. This section should include a description of the firm's experience with particular emphasis on work performed for other California public employee retirement systems, especially those governed by the 1937 Act. At a minimum, this description should include a list of public employee retirement systems for which the firm currently provides actuarial services.
 - B. Descriptions of professional and experience qualifications of the supervising and support actuaries who shall perform work under the resulting contract.
 - C. Any material (including letters of support or endorsement) indicative of the Bidder's capability.
 - D. A brief description of the Bidder's current operations, and ability to provide the services.
 - E. Reference List (form provided)
 - F. Copies of the audited Financial Statements for the last three (3) years for the agency or program that will be providing the service(s) proposed. If audited statements are not available, compiled or reviewed statements will be accepted with copies of three years of corresponding federal tax returns.
 - G. Describe any terminated contracts for services similar to Vendor's current bid for the RFP and provide the following:
 - 1. Agency contract with
 - 2. Date of original contract
 - 3. Reason for termination
 - 4. Contact person and telephone number for agency

H. Describe any pending lawsuits or legal actions:

1. Location filed, name of court and docket number
2. Nature of the lawsuit or legal action

IX. SCOPE OF WORK:

A. Bidders are to use this section to describe the essence of their proposal.

B. This section should be formatted as follows:

1. A general discussion of your understanding of the project, the Scope of Work proposed and a summary of the features of your proposal.
2. A detailed description of your proposal as it relates to each item listed under the "Scope of Work" section of this RFP. Bidder's response should be stated in the same order as are the "Scope of Work" items. Each description should begin with a restatement of the "Scope of Work" item that it is addressing. Bidders must explain their approach and method of satisfying each of the listed items.

C. When reports or other documentation are to be a part of the proposal a sample of each must be submitted. Reports should be referenced in this section and submitted in a separate section entitled "REPORTS."

D. A complete description of any alternative solutions or approaches to accomplishing the desired results.

E. Include a description of the hardware and software used to perform the services required under this RFP.

X. REPORTS: Samples of reports referenced in Section IX.C. should be displayed in this section.

XI. COST PROPOSAL: Quotations may be prepared in any manner to best demonstrate the worthiness of your proposal. Include rates for all services, materials, equipment, etc. to be provided under the proposal.

Proposal No. 20160817.1

PROPOSAL IDENTIFICATION SHEET

RESPONDENT TO COMPLETE AND RETURN WITH PROPOSAL

Our proposal is attached and identified
as: _____

The undersigned agrees to furnish the service stipulated at the prices and terms stated in the cost proposal.

Work services will commence within _____ calendar days after signing of the final contract.

Company: _____

Address: _____

Zip: _____

Signed by: _____

Print Name

Print Title

()

Telephone

()

Fax Number

E-mail Address

Date: _____

TRADE SECRET ACKNOWLEDGEMENT

All proposals received by FCERA shall be considered "Public Record" as defined by Section 6252 of the California Government Code. This definition reads as follows:

"...Public records" includes any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics. "Public records" in the custody of, or maintained by, the Governor's office means any writing prepared on or after January 6, 1975."

Each proposal submitted is a Public Record and is therefore subject to inspection by the public per Section 6253 of the California Government Code. This section states that "every citizen has a right to inspect any public record".

FCERA will not exclude any proposal or portion of a proposal from treatment as a public record except in the instance that it is submitted as a trade secret as defined by the California Government Code. Information submitted as proprietary, confidential or under any other such terms that might suggest restricted public access will not be excluded from treatment as public record.

"Trade secrets" as defined by Section 6254.7 of the California Government Code are deemed not to be public record. This section defines trade secrets as:

"...Trade secrets," as used in this section, may include, but are not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information, which is not patented, which is known only to certain individuals within a commercial concern who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it."

Information identified by Bidder as "trade secret" will be reviewed by FCERA's legal counsel to determine conformance or non-conformance to this definition. Examples of material not considered to be trade secrets are pricing, cover letter, promotional materials, etc. Such material should be submitted in a separate binder not marked "Trade Secret".

FCERA WILL MAKE REASONABLE EFFORTS THAT INFORMATION THAT IS PROPERLY IDENTIFIED AS TRADE SECRET AND CONFORMS TO THE ABOVE DEFINITION WILL NOT BE DISCLOSED.

Trade secrets must be submitted in a separate binder that is plainly marked "Trade Secrets."

FCERA shall not in any way be liable or responsible for the disclosure of any proposals or portions thereof.

TRADE SECRET ACKNOWLEDGEMENT

I have read and understand the above "Trade Secret Acknowledgement."

I understand that FCERA has no responsibility for protecting information submitted as a trade secret. All such material shall be delivered in a separate binder plainly marked "Trade Secret."

Enter company name on appropriate line:

_____ has submitted information identified as Trade
(Company Name) Secrets

_____ has **not** submitted information identified as Trade
(Company Name) Secrets

ACKNOWLEDGED BY:

_____ ()
Signature Telephone

Print Name and Title Date

Address

City State Zip

Firm: _____

REFERENCE LIST

Provide a list of at least five (5) customers for whom you have recently provided similar services (preferably California State or local government agencies). Be sure to include addresses and phone numbers.

Reference Name: _____ City: _____ State _____
Contact _____ Phone No.: (_____) _____
Date: _____
Service Provided: _____

Reference Name: _____ City: _____ State _____
Contact _____ Phone No.: (_____) _____
Date: _____
Service Provided: _____

Reference Name: _____ City: _____ State _____
Contact _____ Phone No.: (_____) _____
Date: _____
Service Provided: _____

Reference Name: _____ City: _____ State _____
Contact _____ Phone No.: (_____) _____
Date: _____
Service Provided: _____

Reference Name: _____ City: _____ State _____
Contact _____ Phone No.: (_____) _____
Date: _____
Service Provided: _____

Failure to provide a list of at least five (5) customers may be cause for rejection of this RFP.

GENERAL REQUIREMENTS

DEFINITIONS: The terms Bidder, Proposer, Contractor and Vendor are all used interchangeably and refer to that person, partnership, corporation, organization, agency, etc. which is offering the proposal and is identified on the "Provider" line of the Proposal Identification Sheet.

RFP CLARIFICATION AND REVISIONS: Any revisions to the RFP will be issued and distributed as written addenda.

FIRM PROPOSAL: All proposals shall remain firm for at least one hundred eighty (180) days.

PROPOSAL PREPARATION: Proposals should be submitted in the formats shown under "PROPOSAL CONTENT REQUIREMENTS" section of this RFP.

SUPPORTIVE MATERIAL: Additional material may be submitted with the proposal as appendices. Any additional descriptive material that is used in support of any information in your proposal must be referenced by the appropriate paragraph(s) and page number(s).

Bidders are asked to submit their proposals in a binder (one that allows for easy removal of pages) with index tabs separating the sections identified in the Table of Contents. Pages must be numbered on the bottom of each page.

Any proposal attachments, documents, letters and materials submitted by the Vendor shall be binding and included as a part of the final contract should your bid be selected.

TAXES: The quoted amount must include all applicable taxes. If taxes are not specifically identified in the proposal it will be assumed that they are included in the total quoted.

SALES TAX: FCERA pays CA State Sales Tax regardless of Vendor's place of business.

INTERPRETATION OF RFP: Vendors must make careful examination of the requirements, specifications and conditions expressed in the RFP and fully inform themselves as to the quality and character of services required. If any person planning to submit a proposal finds discrepancies in or omissions from the RFP or has any doubt as to the true meaning or interpretation, correction thereof may be requested in writing (email acceptable) from FCERA by 5:00 p.m., **August 31, 2016**. Any change in the RFP will be made only by written addendum, duly issued by FCERA on its website by **September 6, 2016** at 5:00 p.m. FCERA will not be responsible for any other explanations or interpretations.

RETENTION: FCERA reserves the right to retain all proposals, excluding proprietary documentation submitted per the instructions of this RFP, regardless of which response is selected.

ORAL PRESENTATIONS: Each finalist may be required to make an oral presentation in Fresno and answer questions from FCERA personnel and Board of Retirement on **November 2, 2016**.

AWARD/REJECTION: The award will be made to the Vendor offering the overall proposal deemed to be to the best advantage of FCERA. FCERA shall be the sole judge in making such determination. FCERA reserves the right to reject any and all proposals. The lowest Bidders are not arbitrarily the Vendors whose proposals will be selected.

Proposal No. 20160817.1

FCERA staff will conduct initial evaluations and contract negotiations.

Final evaluation of finalists and award will require approval by the Board of Retirement.

NEGOTIATION: FCERA will prepare and negotiate its own contract with the selected Vendor, giving due consideration to the stipulation of the Vendor's standard contracts and associated legal documents.

WAIVERS: FCERA reserves the right to waive any informalities or irregularities and any technical or clerical errors in any quote as the interest of FCERA may require.

TERMINATION: FCERA reserves the right to terminate any resulting contract upon written notice.

MINOR DEVIATIONS: FCERA reserves the right to negotiate minor deviations from the prescribed terms, conditions and requirements with the selected Vendor.

PROPOSAL REJECTION: Failure to respond to all questions or not to supply the requested information could result in rejection of your proposal.

ASSIGNMENTS: The ensuing proposed contract will provide that the Vendor may not assign any payment or portions of payments without prior written consent of FCERA.

BIDDERS LIABILITIES: FCERA will not be held liable for any cost incurred by Vendors in responding to the RFP.

CONFIDENTIALITY: Bidders shall not disclose information about FCERA's business or business practices and safeguard confidential data which Vendor staff may have access to in the course of system implementation.

DISPUTE RESOLUTION: The ensuing contract shall be governed by the laws of the State of California.

Any claim which cannot be amicably settled without court action will be litigated in the U. S. District Court for the Eastern District of California in Fresno, CA or in a state court for Fresno County.

NEWS RELEASE: Vendors shall not issue any news releases or otherwise release information to any third party about this RFP or the Vendor's quotation without prior written approval from FCERA.

BACKGROUND REVIEW: FCERA reserves the right to conduct a background inquiry of each Proposer/Bidder which may include collection of appropriate criminal history information, contractual and business associations and practices, employment histories and reputation in the business community. By submitting a proposal/bid to FCERA, the Vendor consents to such an inquiry and agrees to make available to FCERA such books and records FCERA deems necessary to conduct the inquiry.

PERFORMANCE BOND: The successful Bidders may be required to furnish a faithful performance bond.

EXCEPTIONS: Identify with explanation, any terms, conditions, or stipulations of the RFP with which you *CAN NOT* or *WILL NOT* comply with by proposal group.

ADDENDA: In the event that it becomes necessary to revise any part of this RFP, addenda will be provided to all agencies and organizations that receive the basic RFP.

SUBCONTRACTORS: If a subcontractor is proposed, complete identification of the subcontractor and his tasks should be provided. The primary contractor is not relieved of any responsibility by virtue of using a subcontractor.

CONFLICT OF INTEREST: FCERA shall not contract with, and shall reject any bid or proposal submitted by the persons or entities specified below, unless the Board of Retirement finds that special circumstances exist which justify the approval of such contract:

1. Employees of FCERA or public agencies for which the Board of Retirement is the governing body.
2. Profit-making firms or businesses in which employees described in Subsection (1) serve as officers, principals, partners or major shareholders.
3. Persons who, within the immediately preceding twelve (12) months, came within the provisions of Subsection (1), and who were employees in positions of substantial responsibility in the area of service to be performed by the contract, or participated in any way in developing the contract or its service specifications.
4. Profit-making firms or businesses in which the former employees described in Subsection (3) serve as officers, principals, partners or major shareholders.
5. No FCERA employee, whose position in FCERA enables him to influence the selection of a Contractor for this RFP, or any competing RFP, and no spouse or economic dependent of such employee, shall be employees in any capacity by a Bidder, or have any other direct or indirect financial interest in the selection of a Contractor.
6. In addition, no FCERA employee will be employed by the selected Vendor to fulfill the Vendor's contractual obligations to FCERA.

POST-SEPARATION EMPLOYMENT PROHIBITED: No officer or employee of FCERA who separates from FCERA service shall for a period of one-year after separation enter into any employment, contract, or other compensation arrangement with any FCERA consultant, vendor, or other FCERA provider of goods, materials, or services, where the officer or employee participated in any part of the decision making process that led to FCERA relationship with the consultant, vendor or other FCERA provider of goods, materials or services.

EVALUATION CRITERIA: Respondents will be evaluated on the basis of their responses to all questions and requirements in this RFP and product cost. FCERA shall be the sole judge in the ranking process and reserves the right to reject any or all bids. False, incomplete or unresponsive statements in connection with this proposal may be sufficient cause for its rejection.

SELECTION PROCESS: All proposals will be evaluated by a team consisting of representatives from appropriate FCERA staff and professional advisors, where appropriate. It will be their responsibility to make the finalist recommendations to the Board of Retirement. The Retirement Administrator will chair the evaluation or evaluation process.

Organizations that submit a proposal may be required to make an oral presentation to the Board of Retirement. These presentations provide an opportunity for the individual, agency, or organization to clarify its proposal to ensure thorough, mutual understanding.

FCERA does not discriminate on the basis of race, religion, sex, sexual orientation, national origin, marital status, age, physical handicap or ownership by women or minorities.

INDEPENDENT CONTRACTOR: In performance of the work, duties, and obligations assumed by Contractor under any ensuing Agreement, it is mutually understood and agreed that Contractor, including any and all of Contractor's officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of FCERA. Furthermore, FCERA shall have no right to control, supervise, or direct the manner or method by which Contractor shall perform its work and function. However, FCERA shall retain the right to administer this Agreement so as to verify that Contractor is performing its obligations in accordance with the terms and conditions thereof. Contractor and FCERA shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, Contractor shall have absolutely no right to employment rights and benefits available to FCERA employees. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees all legally required employee benefits. In addition, Contractor shall be solely responsible and save FCERA harmless from all matters relating to payment of Contractor's employees, including compliance with Social Security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of the Agreement, Contractor may be providing services to others unrelated to FCERA or to the Agreement.

HOLD HARMLESS CLAUSE: Contractor agrees to indemnify, save, hold harmless and at FCERA's request, defend FCERA, its officers, agents and employees, from any and all costs and expenses, damages, liabilities, claims and losses occurring or resulting to FCERA in connection with the performance, or failure to perform, by Contractor, its officers, agents or employees under this Agreement and from any and all costs and expenses, damages, liabilities, claims and losses occurring or resulting to any person, firm or corporation who may be injured or damaged by the performance, or failure to perform, of Contractor, its officers, agents or employees under this Agreement.

PRICE RESPONSIBILITY: The selected Vendor will be required to assume full responsibility for all services and activities offered in the proposal, whether or not they are provided directly. Further, FCERA will consider the selected Vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract. The Contractor may not subcontract or transfer the contract, or any right or obligation arising out of the contract, without first having obtained the express written consent of FCERA.

ADDRESSES AND TELEPHONE NUMBERS: The Vendor will provide the business address and mailing address, if different, as well as the telephone number of the individual signing the contract.

ASSURANCES: Any contract awarded under this RFP must be carried out in full compliance with The Civil Rights Act of 1964, The Americans With Disabilities Act of 1990, their subsequent amendments, and any and all other laws protecting the rights of individuals and agencies. FCERA has a zero tolerance for discrimination, implied or expressed, and wants to ensure that policy continues under this RFP. The Contractor must also guarantee that services, or workmanship, provided will be performed in compliance with all applicable local, state, or federal laws and regulations pertinent to the types of services, or project, of the nature required under this RFP. In addition, the Contractor may be required to provide evidence substantiating that their employees have the necessary skills and training to perform the required services or work.

INSURANCE: Without limiting FCERA's right to obtain indemnification from Contractor or any third parties, Contractor, at its sole expense, shall maintain in full force and effect the following insurance policies throughout the term of the Agreement:

A. Commercial General Liability

Commercial General Liability Insurance with limits of not less than Five Million Dollars (\$5,000,000) per occurrence and an annual aggregate of Five Million Dollars (\$5,000,000). This policy shall be issued on a per occurrence basis. FCERA may require specific coverages including completed operations, products liability, contractual liability, Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed necessary because of the nature of this contract.

B. Automobile Liability

Comprehensive Automobile Liability Insurance with limits for bodily injury or property damages of not less than One Million Dollars (\$1,000,000.00) per accident. Coverage should include owned and non-owned vehicles used in connection with this Agreement.

C. Professional Liability

If Contractor employs licensed professional staff, (e.g., Ph.D., R.N., L.C.S.W., M.F.C.C.) in providing services, Professional Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, Three Million Dollars (\$3,000,000.00) annual aggregate.

This coverage shall be issued on a per claim basis. Contractor agrees that it shall maintain, at its sole expense, in full force and effect for a period of three (3) years following the termination of this Agreement, one or more policies of professional liability insurance with limits of coverage as specified herein.

D. Worker's Compensation

A policy of Worker's Compensation insurance as may be required by the California Labor Code.

Contractor shall obtain endorsements to the Commercial General Liability insurance naming FCERA, its officers, agents, and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by FCERA, its officers, agents and employees shall be excess only and not contributing with insurance provided under Contractor's policies herein. This insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written notice given to FCERA.

Within Thirty (30) days from the date Contractor executes this Agreement, Contractor shall provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as required herein, to FCERA, Donald C. Kendig, Retirement Administrator, 1111 H Street, Fresno, CA 93721, stating that such insurance coverage have been obtained and are in full force; that FCERA, its officers, agents and employees will not be responsible for any premiums on the policies; that such Commercial General Liability insurance names FCERA, its officers, agents and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned; that such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by FCERA, its officers, agents and employees, shall be excess only and not contributing with insurance provided under Contractor's policies herein; and that this insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written notice given to FCERA.

In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, FCERA may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.

All policies shall be with admitted insurers licensed to do business in the State of California. Insurance purchased shall be purchased from companies possessing a current A.M. Best, Inc. rating of A FSC VII or better.

AUDITS AND INSPECTIONS: The Contractor shall at any time during business hours, and as often as FCERA may deem necessary, make available to FCERA for examination all of its records and data and respect to the matters covered by this Agreement. The Contractor shall, upon request by FCERA, permit FCERA to audit and inspect all of such records and data necessary to ensure Contractor's compliance with the terms of this Agreement.

If this Agreement exceeds Ten Thousand and No/100 dollars (\$10,000.00), Contractor shall be subject to the examination and audit of the Auditor General for a period of three (3) years after final payment under contract (Government Code Section 8546.7).

FCERA will not be held liable for any cost incurred by Bidders in responding to this RFP.

DEFAULT: In case of default by the selected Bidder, FCERA may procure materials and services from another source and may recover the loss occasioned thereby from any unpaid balance due the selected Bidder, or by any other legal means available to FCERA.

BREACH OF CONTRACT: In the event of breach of contract by either party, the other party shall be relieved of its obligations under this Agreement and may pursue any legal remedies.

SAMPLE CONTRACT: Submitted as a part of Bidder's response to the RFP, shall be a sample of the contract he is proposing with FCERA. The tentative award of the contract is based on successful negotiation pending formal recommendation of award. Bidder is to include in response the names and titles of officials authorized to conduct such negotiations.

CONFIDENTIALITY: All services performed by Vendor shall be in strict conformance with all applicable Federal, State of California and/or local laws and regulations relating to confidentiality, including but not limited to, California Civil Code, California Welfare and Institutions Code, Health and Safety Code, California Code of Regulations, Code of Federal Regulations.

Vendor shall submit to FCERA's monitoring of said compliance.

Vendor may be a Business associate of FCERA, as that term is defined in the "Privacy Rule" enacted by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). As a HIPAA Business Associate, Vendor may use or disclose protected health information ("PHI") to perform functions, activities or services for or on behalf of FCERA, as specified by FCERA, provided that such use or disclosure shall not violate HIPAA and its implementing regulations. The uses and disclosures of PHI may not be more expansive than those applicable to FCERA, as the "Covered Entity" under HIPAA'S Privacy Rule, except as authorized for management, administrative or legal responsibilities of the Business Associate.

Vendor shall not use or further disclose PHI other than as permitted or required by FCERA, or as required by law without written notice to FCERA.

Vendor shall ensure that any agent, including any subcontractor, to which Vendor provides PHI received from, or created or received by the Vendor on behalf of FCERA, shall comply with the same restrictions and conditions with respect to such information.

APPEALS: Appeals must be submitted in writing within seven (7) working days after staff's notification of proposed finalists recommendation. Appeals should be submitted to FCERA, 1111 H Street, Fresno, CA 93721. Appeals should address only areas regarding RFP contradictions, procurement errors, quotation rating discrepancies, legality of procurement context, conflict of interest, and inappropriate or unfair competitive procurement grievance regarding the RFP process. A valid appeal shall not address mere disagreement with the proposed recommendation.

The Retirement Administrator or his designee will provide a written response to the complaint within seven (7) working days unless the complainant is notified more time is required.

If the protesting Bidder is not satisfied with the decision of the Retirement Administrator, he/she shall have the right to appeal to the Board of Retirement at the next regularly scheduled Board Meeting after notification of Retirement Administrator's decision. Final appeal is with the Board of Retirement.

SPECIFIC TERMS AND CONDITIONS

ISSUING AGENT: This RFP has been issued by FCERA. FCERA shall be the Vendor's sole point of contact with regard to the RFP, its content, and all issues concerning it.

AUTHORIZED CONTACT: All communication regarding this RFP shall be directed to an authorized representative of FCERA. The specific buyer managing this RFP is identified on the cover page, along with his or her telephone number, and he or she should be the primary point of contact for discussions or information pertaining to the RFP. Contact with any other FCERA representative, including elected officials, for the purpose of discussing this RFP, its content, or any other issue concerning it, is prohibited unless authorized by FCERA. Violation of this clause, by the Vendor having unauthorized contact (verbally or in writing) with such other FCERA representatives, may constitute grounds for rejection by FCERA of the Vendor's quotation.

The above stated restriction on Vendor contact with FCERA representatives shall apply until FCERA has awarded a purchase order or contract to a Vendor or Vendors, except as follows. First, in the event that a Vendor initiates a formal protest against the RFP, such Vendor may contact the appropriate individual, or individuals who are managing that protest as outlined in FCERA's established protest procedures. All such contact must be in accordance with the sequence set forth under the protest procedures. Second, in the event a public hearing is scheduled before the Board of Retirement to hear testimony prior to its approval of a purchase order or contract, any Vendor may address the Board.

NUMBER OF COPIES: Submit **one (1) original, one (1) copy, and one (1) electronic copy** of your proposal no later than the proposal acceptance date and time as stated on the front of this document to FCERA. The cover page of each document is to be appropriately marked "Original" or "Copy".

REVIEW: All proposals will be evaluated by the Retirement Administrator and his designees and may consist of additional FCERA staff and professional advisors. The Retirement Administrator will recommend up to three finalists from the pool of submissions for the Board of Retirement's review, depending on the number of responses received.

The proposals will be evaluated in a multi-stage selection process. Some bids may be eliminated or set aside after an initial review. If a proposal does not respond adequately to the RFP or the Bidder is deemed unsuitable or incapable of delivering services, the proposal may be eliminated from consideration. Suitable Bidders will then be ranked and the top three, if more than three suitable Bidders exist will be presented to the Board of Retirement. It will be the Retirement Administrator's responsibility to rank the Bidders and make a recommendation to the Board of Retirement.

CONTRACT TERM: It is FCERA's intent to contract with the successful Bidder for a term of three years with the option to renew for up to two (2) additional one (1) year periods. FCERA will retain the right to terminate the Agreement upon giving thirty (30) days advance written notification to the Contractor.

SCOPE OF WORK

The goal of this RFP is to evaluate and select an actuarial firm who will serve as consulting actuary to the FCERA Board of Retirement and the Retirement Administrator for a period of thirty-six (36) months commencing with the Actuarial Report for the fiscal year ended June 30, 2017, GASB 67 Report ended June 30, 2017, and GASB 68 Report for the fiscal year ending June 30, 2018 (utilizing the June 30, 2017 Measurement Date) and the Experience Study for the three years ended June 30, 2018, with an option for two additional years. The firm awarded the resulting contract will provide various actuarial services which include consultation and advisory services, valuation services, experience analysis, and other general duties.

The consulting actuary shall perform tasks which include, but shall not be limited to, the following:

A. General Duties:

1. Load and reconcile all the data from the FCERA database. FCERA uses a customized defined benefit calculation system developed by Tegrit called Arrivos for monitoring benefit accruals and benefit calculations. FCERA will provide the consulting actuary with all data and statistical information deemed necessary to perform specified contract services, provided the data is available and in the records and files of the Association. FCERA utilizes a secure file transfer protocol (SFTP) site for file transfer and requires that all files transferred between FCERA and the consulting actuary be encrypted.

2. Treat all member information as confidential. The consulting actuary is expected to treat as confidential all member information as it applies to all data created, gathered, generated or acquired with the contract.

3. Seek written consent prior to public release of information resulting from the engagement. With respect to any publicity given to the actuarial services provided under terms of the resulting contract, the consulting actuary shall identify FCERA as the sponsoring agency and shall not be release any information without prior approval of the Retirement Administrator of the association or appointed designee. This information includes, but is not limited to, press releases, research, and reports.

4. Communicate directly to the Retirement Administrator (or appointed designee). FCERA expects the consulting actuary to route all requests, reports and all other communication in connection with this contract through the Retirement Administrator of the association or appointed designee.

5. Document ideas and issues raised in discussions and meetings. All price quotations for extended services, final reports, correspondence regarding actuarial assumptions and other technical issues must be reviewed, approved, and signed by the consulting actuary.

6. Perform all services within the scope of the contract under the direct supervision of a qualified actuary. An approved actuary must be regularly engaged in the business of providing actuarial services and have at least 10 years of experience with major public employee retirement systems or designation as a Fellow in the Society of Actuaries. FCERA

reserves the right to reject the firm's choice of a consulting actuary and may terminate the contract if a consulting actuary, acceptable to the FCERA Board of Retirement, cannot be made available by the firm.

B. Consultation and Advisory Services:

1. Provide actuarial consultation and advisory services. These services may be delivered in meetings or by telephone calls and written correspondence. FCERA expects these services may include public testimony to committees and board on any technical, policy, legal or administrative problems arising during the course of operation of the system. The consulting actuary should be readily accessible to FCERA's Retirement Administrator by telephone within one working day and will be available for meetings within five (5) working days of a request. FCERA expects the consulting actuary to attend a minimum of four (4) Board of Retirement meetings per contract year, including one meeting to review the annual actuarial valuation. FCERA also expects the consulting actuary to be available for educational discussions with the Board of Retirement and/or FCERA employees. The consulting actuary must have the ability to discuss actuarial theory and other matters in laymen's terms.

2. Prepare various actuarial operating tables and factors. From time to time, these tables and factors may be required for operation of the system. These tools include, but are not limited to, mortality tables, option tables for annuitants, present value factors, and survivor benefit factors.

3. Recommend possible improvements in FCERA's financing and benefit structure. Throughout the duration of the contract, the consulting actuary will inform FCERA of any new developments in the retirement industry and their effect on the financing and benefit structure of a retirement system. The consulting actuary should keep the Board of Retirement and the Retirement Administrator of the association apprised of current trends and advancements within the actuarial profession.

5. Assist FCERA staff in implementing new legislation or proposed changes to existing retirement laws which govern the association. Furthermore, the consulting actuary should assist FCERA in developing strategies for resolving any policy or administrative problems associated with implementing new legislation.

6. Keep FCERA informed of any new developments or changes in federal legislation and/or tax regulations regarding financing, benefits, vesting, fiduciary responsibility or disclosure. FCERA also expects the consulting actuary to assist FCERA in interpreting and implementing federal law appropriately.

7. Assist in establishing actuarial specifications for the association's data files. FCERA would like the consulting actuary to provide feedback, at FCERA's request, on the proposed form and content of the data files and if necessary, make suggestions for system modifications to ensure that the full range of data needed for costing proposed benefit amendments, performing actuarial valuations and reviewing experience studies is maintained.

8. Provide advice on special benefit cases. FCERA may occasionally request that the consulting actuary review certain benefit applications and perform complex computations related to special cases including calculations for Modified Option IV benefits, Retirement

Benefits subject to the IRS 415 limits, and retirement benefits to persons who are eligible for service retirement without meeting the age or years of service requirements.

9. Determine annual cost-of-living increase to the retirement benefits and maintain COLA bank for retired members. The consulting actuary shall, no later than February of each year, determine the Consumer Price Index for the Western Region Area for the purpose of providing a COLA to eligible retirees. The differences between the actual CPI and the maximum COLA of 3% are “banked”. The consulting actuary will maintain the COLA bank.

10. Option 4 Equivalent Retirement Benefit Calculations. This optional benefit requires the calculation by the actuary to determine the equivalency of costs.

C. Valuation Services:

1. Perform annual actuarial valuations. The resulting valuation reports must contain detailed explanations of any significant changes in actuarial losses or gains because of deviations from expected experience.

D. Experience Analysis and Demographic Studies:

1. Prepare a comprehensive triennial experience study. In the third year of the contract, an experience study must be prepared that may include actuarial assumption changes.

2. Prepare necessary reports projecting demographic trends for FCERA that will impact future service demands.

E. Asset Liability Study:

1. Assist with preparation of Asset Liability Study. In conjunction with FCERA's Investment Consultant, an Asset Liability Study will be prepared at least one time during the contract period.

F. Non-vested supplemental benefits:

1. Prepare cost estimates for modifying non-vested supplemental benefits. Cost estimates would include changes to the purchasing power protection cost of living and additional health benefit offered by the Board of Retirement.

COST PROPOSAL

[Enter your proposed costs here (fixed and hourly pricing for services)]

AWARD CRITERIA

COST

- A. As submitted under the "COST PROPOSAL" section.

CAPABILITY AND QUALIFICATIONS

- A. Does the service descriptions address all the areas identified in the RFP? Will the proposed services satisfy FCERA's needs and to what degree?
- B. Does the Bidder demonstrate knowledge or awareness of the problems associated with providing the services proposed and knowledge of laws, regulations, statutes and effective operating principles required to provide this service?
- C. The amount of demonstrated experience in providing the services desired in a California public defined benefit retirement plan.