

NORTH KINGSTOWN SCHOOL DEPARTMENT

**GASB 75 Actuarial Consulting Services
Bid #2020-01
Request For Proposals**



RFP Due August 6, 2019, and to be opened publicly @ 11 AM at 100 Romano Vineyard Way, Suite 120, North Kingstown, RI, office of Chief Operating Officer.

Mary C. King, CPA, MBA, SFO, Chief Operating Officer
North Kingstown School Department
100 Romano Vineyard Way, Suite 120
North Kingstown, RI 02852

**NORTH KINGSTOWN SCHOOL DEPARTMENT
100 ROMANO VINEYARD WAY, SUITE 120, NORTH KINGSTOWN, RI 02852
401.268.6410**

ADVERTISEMENT FOR PROPOSALS

The North Kingstown School Department will receive sealed proposals for the following:

GASB 75 ACTUARIAL CONSULTING SERVICES BID #2020-01

General proposals shall be received and opened at the office of the Chief Operating Officer, 100 Romano Vineyard Way, Suite 120, North Kingstown, RI, 02952, on August 6, 2019, no later than 11 AM, for the **GASB 75 ACTUARIAL CONSULTING SERVICES PROPOSALS Bid 2020-**

Proposals received after the stipulated time shall not be accepted.

All proposals must be submitted in sealed envelopes marked "**GASB 75 ACTUARIAL CONSULTING SERVICES PROPOSALS Bid #2020-01**", **Due August 6, 2019, 11:00 AM**. The envelope should be addressed to the North Kingstown School Department, Chief Operating Officer, 100 Romano Vineyard Way, Suite 120, North Kingstown, RI 02852.

If mailing proposal in envelopes provided by UPS, Federal Express, etc, your sealed and properly marked proposal must be contained in the mailer.

Proposals must be prepared in conformity with and shall be based upon and submitted to all requirements of the specifications together with the addenda thereto. Failure to comply with these requisites may result in the proposal being misdirected, opened in error prior to official opening, and possible rejection of said proposal.

All prices indicated in the proposal shall be non-erasable. Any changes must be initialed by the official submitting and signing the proposal. Prices should be written in words and figures. In the event of a discrepancy, the written price shall prevail. Proposal determined to be made in collusion with any other bidder shall be disqualified from consideration for award.

No proposals may be withdrawn for a period of ninety (90) calendar days subsequent to the date of the proposal opening.

The North Kingstown School Department reserves the right to waive any informality and to reject any and all proposals.

Proposals will be publicly opened and read at 11:00 am on August 6, 2019, in the Office of the Chief Operating Officer, NKSD Administration Building, 100 Romano Vineyard Way, Suite 120, North Kingstown, RI 02852.

**REQUEST FOR PROPOSAL
NORTH KINGSTOWN SCHOOL DEPARTMENT
GASB 75 Actuarial Consulting Services
(For the Fiscal Year Beginning July 1, 2018 (FY19))**

I. INTRODUCTION

The North Kingstown School Department, hereafter known as “the District”, is requesting proposals from qualified actuarial firms to conduct a comprehensive Other Post-Employment Benefits (OPEB) actuarial valuation to assist the District to prepare for and comply with GASB Statement #75.

A. Scope of Services

1. **Evaluation of Current Program Cost and Liability**

Conduct an actuarial valuation of current OPEB that meets the standards of GASB requirements. This shall be accomplished by applying standard actuarial methodology and assumptions to the demographic data. The result of the valuation will be a qualification of the unfunded actuarial accrued liability and a calculation of an Annual Required Contribution (ARC).

2. **Optional Services**

The Consultant may be required to assist with formal and informal presentations with handouts to District groups including the School Committee, as well as conduct additional reviews. The response should include an hourly rate for that optional work.

B. Qualifying Requirements

In order to qualify for consideration, a consulting firm must meet certain minimum requirements:

1. **Experience** —Each firm must provide evidence of similar municipal OPEB or OPEB-like evaluation experience and provide client references.
2. **Non-discrimination** —All firms submitting a proposal must be in compliance with all municipal, state and federal affirmative action and equal employment practices, as well as ADA requirements.

II. HOW TO PROCEED

A. Proposal Form

All proposers must use the attached proposal cover letter, information sheet and must include all required attachments. All such information shall become public record upon the proposal due date.

B. RFP Calendar

1. **July 9, 2019:** The Chief Operating Officer advertises and distributes the Request for Proposal to all interested firms.
2. **August 6, 2019:** Proposals due by 11 A.M. Proposals must be signed by an authorized member of the consulting firm, and the name, address, and telephone number of a representative qualified to answer questions during the review process, must be included.

Three (3) copies of the proposal must be submitted to:

HAND DELIVERY

Chief Operating Officer
North Kingstown School Department
100 Romano Vineyard Way, Ste 120
North Kingstown, RI 02852

U.S. POSTAL SERVICE MAIL

Chief Operating Officer
North Kingstown School Department
100 Romano Vineyard Way, Ste 120
North Kingstown, RI 02852

Proposals or amendments to proposals received later than the time and date specified will not be considered. No proposal may be withdrawn within 90 days after the submission due date.

3. The District reserves the right to reject any and all proposals, to waive any and all informalities, defects or immaterial irregularities, and to request further clarification.
4. It is anticipated that the award of the contract will be made on or before **August 13, 2019**. Work shall be scheduled to commence no later than August 20, 2019, and completed no later than October 1, 2019.
5. Please see Attachment A; GASB 75 Financial Report for Fiscal Year beginning **July 1, 2018**.

C. Evaluation Criteria

Proposals will be evaluated on the following criteria:

1. The thoroughness of the proposal.
2. The firm's overall qualifications and the experience of the key personnel.
3. The firm's recent experience on similar projects with an emphasis on Municipal GASB 75 experience and municipal health benefits.
4. The firm's responses to the information sheet.
5. The proposed fee for services.

D. Questions

Questions about this RFP may be directed to Mary C. King (401) 268-6410 (telephone) mary_king@nksd.net (email) no later than **July 29, 2019**. All information given by the District except by written addenda shall be informal and shall not be binding upon the District nor shall it furnish a basis for legal action by any Proposer or prospective Proposer against the District.

III. TERMS AND CONDITIONS

A. **Compensation**

Compensation for services shall be at the conclusion of the evaluation and delivery of the evaluation. However, the District may consider a progressive payment schedule.

B. **Termination of Contract**

Following implementation, should the Chief Operating Officer find that the firm has failed in any material respect to perform its agreed upon obligations under the contract, the contract shall be canceled by the District as being in the best interest of the North Kingstown School Department. In the event of termination of this contract as a result of breach by the contractor, the District shall not be liable for any fees and may, as its sole option, award a contract for the same services to another qualified firm or call for new proposals. The contractor shall be responsible for consequential damages as a result of its breach, including, but not limited to, extra costs required under the new contract for similar services.

C. **Period of Performance**

The period of performance for this project shall be the contract effective date plus not more than ninety (90) days from the date subject to extension only by mutual agreement.

D. **Evaluation Team**

The key personnel assigned to this evaluation are considered essential to the work being performed. Substitutions may only be made upon mutual agreement between the consultant and the District.

E. **Indemnification and Insurance**

The consultant selected shall indemnify and save the District harmless from liability in any manner of claims, law suits and damages for any type of losses, including the loss of life, due to its work or operations on District property, in carrying out and completing the full scope of services under this agreement.

The consultant shall meet the insurance and indemnification requirements as prescribed in the attached Insurance Exhibit - Professional Contracts.

F. **Collusion**

Any act or acts of misrepresentation or collusion shall be a basis for disqualification of any proposal or proposals submitted by such persons guilty of said misrepresentation or collusion. In the event that the District enters into a contract with any proposer who is guilty of misrepresentation or collusion and such conduct is discovered after the execution of said contract, the District may cancel said contract without incurring liability, penalty, or damages.

G. **Freedom of Information**

The District will not be liable for any costs incurred in the preparation of the response for this Request for Proposal. All proposal submissions and materials become property of the District and will not be returned. Respondents to this RFP are hereby notified that all proposals submitted and information contained therein and attached thereto shall be subject to disclosure under the Freedom of Information Act.

IV. PROPOSAL FORMAT

For the sake of consistency and ease of review, each proposal must adhere to the following format:

- Section A:** The attached cover letter, including name, address and telephone number of firm, and name and number of legal representative.
- Section B:** Evidence of similar municipal evaluation/audit experience; references from client companies which received these services.
- Section C:** Evidence, including resumes, that the firm's staff and the staff participating in the project are experienced in municipal liability and actuarial procedures relative to insured and self-insured programs.
- Section D:** An outline of the firm's proposed approach to the GASB 75 valuation:
- a. How the valuation will be organized.
 - b. How the valuation will be structured and conducted.
 - c. The firm's requirements of the District's staff and resources.
- Section E:** The proposed cost of the evaluation.

RISK MANAGEMENT EVALUATION COVER LETTER

Mary C. King, CPA, MBA, SFO
Chief Operating Officer
North Kingstown School Department
100 Romano Vineyard Way, Suite 120
North Kingstown, RI 02852

Dear Ms. King:

We have read and understand the Request for Proposal, and certify that we have adequate personnel, experience and expertise to fulfill the specified requirements. We further understand that:

1. Our proposal will be judged on the eligibility criteria listed under Section II, Part C and the information sheet.
2. We must comply with the insurance provisions outlined in the Insurance Exhibit.
3. All information included in, attached to, or required by the Request for Proposal shall be public record upon the designated proposal due date.

As requested, we have attached the following:

1. Evidence of similar experience; references from client companies.
2. Staff resumes and supporting information.
3. An outline of the firm's proposed approach.
4. Our proposed cost.

Submitted by:

Company

Authorized Signature Title

Date

Telephone

Email

**GASB 75 ACTUARIAL SERVICES REQUEST
FOR PROPOSAL INFORMATION SHEET**

Please complete the information below as concisely as possible, if possible within 2-3 sentences.
If you wish to provide additional information, please attach and reference location of additional information.

General Information	
Legal Name	
Street Address	
City / State / Zip	
Telephone / Fax	
E-Mail Address	
Primary Contact Name Contact Information	
Confirm, by your signature, that your organization agrees to abide by the Submission Requirements.	<hr/> Signature <hr/> Title
Description and Scope of Services	
1. Are all actuarial valuations in conformance with GASB Statement No. 75 – Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions?	() Yes () No
2. Confirm that your evaluation will address and highlight the following assumptions: a. Turnover b. Retirement age c. Disability retirement age d. Mortality e. Projected Salary increases f. Inflation rate g. Health care cost trend data for the New England region h. Amortization timeframe i. Investment return and j. Post retirement increases.	

<p>3. Are there any additional assumptions:</p> <ul style="list-style-type: none"> a. You propose to analyze? b. You considered but rejected and why? 	
<p>4. Identify the principal and/or supervising actuaries and support staff that will perform services and their professional designation.</p>	
<p>5. How many years have these individuals performed actuarial or support services?</p>	
<p>6. Confirm that all actuarial services performed will be under the supervision of a member of your organization who meets or exceeds the "Standards for Supervising Actuary."</p>	
<p>7. List the data or statistical information you will require from the District in order to perform the actuarial analysis of the District's liability under GASB 75. Also specify any preference you have for the medium in which this information should be received.</p>	
<p>8. Briefly describe the general process you will follow to analyze the District's GASB 75 liability.</p>	
<p>9. Identify the number and approximate dates of on-site meetings you propose for this project.</p>	
<p>10. Confirm your willingness to document in writing the ideas and issues raised in meetings and discussions during the actuarial review regarding the options the District may consider.</p>	
<p>11. In addition to the actuarial analysis of the District's liability briefly describe how you will communicate in writing what: 1) policy, 2) plan design, 3) funding and 4) trust options the District should consider in its compliance with GASB 75. Confirm your willingness to identify strengths and weaknesses for each option and overall recommendations.</p>	

<p>12. Confirm that your report and recommendations will contain a glossary of terms and sufficient explanatory text to permit a reasonable understanding of the actuarial assumptions and cost methods for each bargaining unit within the District.</p>	
<p>13. Provide a task list and timeframe for the major tasks that will be performed in the actuarial analysis and who will be responsible for each task including District personnel.</p>	
<p>14. Confirm your willingness to summarize advantages / disadvantages of funding the Annual Required Contribution (ARC) compared to other options (e.g. over/ under-funding the ARC).</p>	
<p>15. The District is exploring alternate designs and strategies to manage its GASB responsibility. Are you prepared in your analysis, based on current District benefits, to provide the District with alternate designs and strategy recommendations? If so, please explain.</p>	
<p>Cost</p>	
<p>1. For each major task, identify the:</p> <ul style="list-style-type: none"> a. Personnel who will be responsible b. Total hourly rate and c. Total, not-to-exceed amount for the task. 	
<p>2. Identify any enhancements you propose making to the contract that do not increase the cost.</p>	
<p>References</p>	
<p>1. Please submit the names of three public agency references, preferably where similar services have been provided, of comparable size to the District and in Rhode Island. References should identify the type of services that were provided, the contact person, title, current phone number, size of employer and length of time for which services have been provided.</p>	

INSURANCE EXHIBIT — PROFESSIONAL CONTRACTS

The professional individual or firm shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damage for property which may arise from or in connection with the performance of the contractor's work by the individual firm, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the contractor's bid.

For the purpose of this clause: the term "professional individual or firm" and "contractor" shall also include their respective agents, representatives, employees or subcontractors; the term "North Kingstown School Department" or "District" shall include their respective officers, employees, volunteers, boards, and commissions.

Additional forms of insurance may be necessary based upon the specific work performed by the contractor. When additional forms of insurance are required, the minimum amount of such coverages and the terms thereof shall be determined by the District and Chief Operating Officer and shall be stated, as well as a description of the types of additional coverage required, in an addendum to this exhibit.

Minimum Insurance Coverage Required

1. Broad form comprehensive general liability, occurrence form.
2. Workers' Compensation: limits as required by the State of Rhode Island.
3. Employer's liability, occurrence form.
4. Professional liability, occurrence form preferred. If issued on claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two (2) years following the completion.

Minimum Limits of Insurance

1. Comprehensive general liability: \$1,000,000 combined single limits per occurrence for bodily injury, personal injury, property damage, and products/completed operations.
2. Workers' Compensation: limits as required by the State of Rhode Island.
3. Employer's liability: limits of \$1,000,000 per occurrence.
4. Professional liability: limits of \$1,000,000 combined single limit.

Deductibles and Self-Insured Retention

Any deductibles or self-insured retentions must be declared to and approved by the North Kingstown School Department. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, or the contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

Notice of Cancellation or Non-Renewal

Each insurance policy required by this exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the District.

Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Comprehensive General Liability Coverage's:

- a. The District and their respective officers, agents, officials, employee volunteers, Boards and commissions are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the contractor; products and completed operations of the contractor; premises owned, leased or used by the contractor. The coverage shall contain to no special limitations on the scope of protection afforded to the District.
 - b. The contractor's insurance coverage shall be the primary insurance with respect to the North Kingstown School Department. Any insurance or self-insurance maintained by the District shall be in excess of the contractor's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect Coverage's provided to the North Kingstown School Department.
 - d. Coverage shall state that the contractor's insurance shall apply separately to each Insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
2. The insurer shall agree to waive all rights of subrogation against the District for losses arising from the work performed by the contractor for the District.

Acceptability of Insurers

1. Insurance is to be placed with insurers with a Best's rating of no less than A: VII.
2. Insurance companies must either be licensed to do business in the State of Rhode Island, or otherwise deemed acceptable by the North Kingstown School Department and the Chief Operating Officer.

Verification of Coverage

The contractor shall furnish the District with certificates of insurance effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the District before work commences. Renewal of expiring certificates shall be filed thirty (30) days prior to expiration. The District reserves the right to require complete, certified copies of all required policies, at any time.