



REQUEST FOR QUALIFICATIONS

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|---------------------------|---------------------------|--|--|
| Product or Service | Actuarial Services | | |
| Department | Finance | | |

IMPORTANT DATES

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|--------------------------------|-----------------|-------------|----------------|
| Solicitation Issue Date | 3/9/2022 | | |
| Response Due Date | 4/8/2022 | Time | 3:00 PM |

Qualifications shall not be accepted after the designated response due date and time. It is the responsibility of vendors to submit qualifications at the designated location on or before the response due date and time. Qualifications received after the designated response due date and time shall be considered late and shall be returned to the vendor without further review.

Vendor agrees that any additional terms or conditions that conflict with requirements in the Request for Qualifications (RFQ), whether submitted intentionally or inadvertently, may cause the proposal to be rejected. If the City, in its sole discretion, determines that such a conflict applies to a material term of the solicitation, then the proposal shall be disqualified.

The City of Maumelle is an Equal Opportunity Employer and complies with the requirements of the Americans with Disabilities Act.

The City of Maumelle complies with all civil rights provisions of federal statutes and related authorities that prohibited discrimination in programs and activities receiving federal financial assistance. Therefore, the City does not discriminate on the basis of race, sex, color, age, national origin, religion or disability, in the admission, access to and treatment in City’s programs and activities, as well as the City’s hiring or employment practices. Complaints of alleged discrimination and inquiries regarding the City’s nondiscrimination policies may be directed to Doreen Mattes, Director of Human Resources – EEO/DBE (Title VI Coordinator), 550 Edgewood Drive, Maumelle, AR 72113, (501) 851-2784 ext. 233, or the following email address: dmattes@maumelle.org.

1. **Brief Description**

The City is seeking qualified Actuaries (Actuary) to perform professional actuarial services for the City of Maumelle's Elected Official Pension plan for the Fiscal Years ending December 31, 2020, December 31, 2022 & December 31, 2024. The Actuary will need to prepare the actuarial valuation for the City's Elected Official pension plan and provide the associated information required to comply with the Governmental Accounting Standards Board (GASB) Statements 67 & 68.

2. **Definitions**

2.1 The City has made every effort to use industry-accepted terminology in this Document and will further clarify any point or item in question as indicated in the Questions and Clarifications section.

2.2 Acronyms

A. GASB Governmental Accounting Standards Board.

The Governmental Accounting Standards Board (GASB) is an independent, private-sector organization that develops and issues accounting and financial reporting standards for U.S. state and local government.

B. ACFR Annual Comprehensive Financial Report

An Annual Comprehensive Financial Report is a set of U.S. government financial statements comprising the financial report of a state, municipal or other governmental entity that complies with the accounting requirements promulgated by GASB.

3. **Scope of Services**

3.1 Goal

The awarded vendor will provide precise valuation and reports on an agreed upon timeline that meet the generally accepted actuarial standards of practice promulgated by the Actuarial Standards Board.

3.2 Terms of Award

A. The term of the contract shall be for three (3) fiscal years. The 2020 actuarial report will be completed by May 31, 2022. The actuarial evaluation should be completed every two years by March 31st (90 days) following the fiscal year end (December 31, 2022 & December 31, 2024)

B. Upon mutual agreement the contract may be extended for two (2) additional fiscal year terms or a portion thereof.

3.3 Problem Description

The City is required to present the appropriate assumptions and schedules in its financial statements as required by GASB 67 & 68. The actuarial valuation must be performed at least every two years to comply with GASB 67 & 68.

3.4 Description of the Reporting Entity

- The City of Maumelle was incorporated on June 20, 1985, as a political

subdivision of the State of Arkansas and is located in the central part of the state.

- Maumelle currently occupies 12 square miles of land bordering the Arkansas River and serves an estimated population of 19,251.
- The City of Maumelle is formed in the Mayor-Council form of government. Policymaking and legislative authority are vested in a governing body consisting of the Mayor and eight City Council Members. The Mayor is elected by the city, at large, for a term of four years. The Council members are elected by the city in wards for staggering four year terms.
- The City of Maumelle's Elected Official Defined Benefit Pension Plan covers the City Clerk-Treasurer per A.C.A. 14-12-121 and the Mayor per A.C.A. 24-12-123.
- The most recent valuation completed for the plan year ending December 31, 2018 only included the City Clerk/Treasurer and was prepared using GASB 25 & 27.
- Historical copies of the City's annual Financial Statements are located on the City's website at <https://www.maumelle.org/Archive.aspx?AMID=36>

3.5 Outcomes Desired

- A. To issue the City's Elected Official Actuarial Valuation within 90 days of fiscal/plan year-end every two years, to aide in the timely and accurate completion of the Annual Comprehensive Financial Report (ACFR).
- B. The Actuary must perform valuations that are generally accepted actuarial standards of practice promulgated by the Actuarial Standards Board and based on the actuarial assumptions and methods prescribed by the most recent and applicable GASB statements. The GASB sets reporting standards for the preparation of financial reports for state and local governments.
- C. The Actuary shall provide the City with an actuarial valuation and the information needed to present the appropriate assumptions and schedules in its financial statements as required by GASB 67 & 68.

3.6 Minimum Qualifications

- A. The firm must be a professional actuarial service firm that provides actuarial valuation, experience study, actuarial audit, and pension consulting services ("Services") to public pension plans. For the purpose of this RFQ public pension plan refers only to defined benefit plans.
- B. The firm must have been in existence as a business entity performing such Services for a minimum of ten years.
- C. The firm must have all necessary permits and licenses. Liability insurance must be in full force at the time the Offer is submitted and throughout the term of the Agreement.
- D. Within the past three years, the firm must have had a minimum of three public pension clients who engaged the firm for such services as valuation assignments, experience analysis and/or actuarial audit assignments.
- E. A Primary Actuary means any actuary that is designated as the contact and

approver of all work related to this agreement. The Primary Actuary must provide direct supervision over all services provided and be an employee of the firm regularly engaged in the business of providing actuarial services.

- F. The Primary Actuary performing the work must be a Fellow of the Society of Actuaries or a member of the American Academy of Actuaries.
- G. The Primary Actuary performing the Services under the Agreement must have a minimum of ten years of experience as an actuary providing pension consulting services, experience analysis, valuation assignments, and actuarial audit assignments for public retirement systems.
- H. Supporting Actuary means any actuary working under the direction of the Primary Actuary. Any Supporting Actuary assigned to perform Services under this Agreement must be either a Fellow, enrolled, or have five years of actuarial consulting experience with defined benefit plans.

3.7 Minimum Requirements

3.8 Additional Assurances

- A. The Actuary must ensure compliance with GASB 67/68.
- B. Information shall include, but not be limited to:
 - a. Actuarial present value of the total projected benefits.
 - b. Actuarial accrued liability.
 - c. OPEB assets both market value and actuarial value (if applicable)
 - d. Unfunded actuarial accrued liability
 - e. Normal cost
 - f. Annual required contributions as a dollar amount and a percentage of related payroll.
 - g. Annual OPEB costs
 - h. Net OPEB obligation
 - i. Implied subsidy
 - j. Funding projections (10 years)
 - k. Summary of data used for the valuation
 - l. Summary of actuarial methods and assumptions
 - m. Summary of upcoming OPEB and issues
 - n. Detailed participant statistics
 - o. Projection of contributions and benefit payments (10 years)
 - p. Additional information needed for the City to prepare the necessary notes to the financial statements to be included in the City's audited financial statements including, but not limited to, notes and required supplementary information.
- C. The Actuary shall provide all documents and information (including the actuarial certification, funding policy certification and valuation information) required along with a certified final valuation results outline.

- D. The Actuary shall meet with the City (and its auditors if necessary) to discuss and review the report.
- E. The Actuary must assist in implementing any new GASB statement and other financial pronouncements related to OPEB and provide ongoing professional consultation.
- F. The December 31, 2020 actuarial valuation must be provided by May 31, 2022.
- G. The bi-annual reports for subsequent years must be provide by March 31st each applicable year.
- H. The Actuary shall respond to the reasonable inquiries of successor Actuaries and allow successor Actuaries to review working papers relating to matters of continuing GASB and accounting significance.
- I. The City shall be free to publish the valuations and reports as they see fit without obtaining prior permission from the Actuary as long as they are not used in a potentially misleading manner and no material subsequent event has occurred which might render the valuation and reports potentially misleading

3.9 Additional Assurances

- A. All books, working papers, records, and other documents related to this contract will be retained for 10 years after final payment is received under the contract or as required by Government Auditing Standards, whichever period is longer.
- B. All work will be conducted in accordance with Actuarial Standards of Practice issued by the Actuarial Standards Board.
- C. The City of Maumelle or its designee(s) shall have complete and unrestricted access to any written reports, working papers, electronic data, documentation of charges under the contract, or other information prepared in association with performances under the contract. These items will be made available at City Hall upon request.
- D. The proposer will coordinate with the City to reduce audit work whenever possible.
- E. The proposer will not assert any rights at common law or in equity or establish any claim to statutory copyright on any material or information developed under this contract.
- F. Neither the proposer nor its principals are presently debarred, suspended, proposed for debarment; declared ineligible; or voluntarily excluded from participation in the proposed engagement by any federal department or agency.
- G. All terms and conditions listed in the proposal will be met.
- H. The proposer has not given or proposed to give, nor does it intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted proposal.
- I. The proposer has not received compensation for participation in the preparation of the specifications for this proposal.
- J. The proposer shall defend, indemnify, and hold harmless the City of Maumelle and all of

its officers, agents, and employees from and against all claims, actions, suits, demands, proceedings, costs, damages, or liabilities, arising out of, connected with, or resulting from any acts or omissions of the proposer or any agent, employee, or subcontractor rendering performance under the contract.

- K. The proposer will provide the City with a minimum of three working days advance notice and invitation to attend all meetings with the audited entities and their actuaries.
- L. The proposer will provide the City, status briefings and/or written reports as reasonably required by the City during the term of contract that specifically identify the work accomplished and any preliminary findings and recommendations developed during the reporting period.
- M. Any revisions to the detailed plan of work submitted by the selected proposer must be approved in writing by the City
- N. The proposer does not have any threats to objectivity.
- O. The proposer has disclosed any disciplinary actions imposed by regulatory bodies in the five-year period preceding the submission of the proposal.
- P. The proposer has the financial and staffing resources to perform the work under the contract.
- Q. During the project, the substitution of key personnel is subject to the approval of the City.
- R. The contractor will provide written assurance that all persons performing work pursuant to this agreement are eligible to work in the United States.

4. Selection of Vendor

All responses will be scored on their technical proposals (qualifications in this case). Pricing information shall not be included in the technical proposals. Evaluation will be based on the overall responsiveness to the RFQ requirements and the references provided.

4.1 Proposal Elements

- A. The Proposal should outline the vendor's qualifications and proposed plan for addressing the requested service(s).
- B. Proposals should specifically address each of the elements listed below.
- C. Vendors should present their proposal in the same sequence and with the same numbering scheme and headings shown in this section.
- D. If the vendor believes that a subject has been adequately addressed in another part of the Technical Proposal, then a cross-reference to the appropriate part of the narrative shall be provided.
- E. Pricing information shall not be included in the Proposal.
 - a. Pricing information is defined as statements including, but not limited to the following:
 - a. "At no additional cost"

- b. “Free of charge”
 - c. “For an additional fee”
- b. Failure to follow this guideline in any manner shall result in disqualification of the proposal.

| Proposer Identifying Information |
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| <p>Please provide the name of the legal entity submitting the proposal by providing the name of its principal office or headquarters. Provide the address of the office(s) from which the professional services will be managed. The proposal must include the name, title, address, e-mail address, and telephone number of the following personnel:</p> <ul style="list-style-type: none"> a. The person authorized to answer questions concerning the proposal and to negotiate the terms of a contract. The proposal should state that this person will be available and accessible to the CITY or its designee(s) throughout the period of contract negotiations. b. The person authorized to execute the contract on behalf of the proposer, with specific reference to any documents necessary to evidence such authority (e.g., articles of incorporation, bylaws, partnership agreement, etc.). |
| <p>The proposal must identify proposed subcontractor(s), if any, and clearly outline the work to be performed by such subcontractor(s). An official of each proposed subcontractor must sign, and include as part of the response to the RFQ, a statement to the effect that the subcontractor has read and agrees to abide by the proposer’s obligations. The proposal should provide that the proposer understands and agrees that the CITY will look solely to the proposer for performance of the contract and that the proposer agrees to indemnify the CITY and hold the CITY harmless from any claim asserted by or against the proposer’s subcontractors in connection with this engagement.</p> |
| Executive Summary |
| <p>The proposer must provide an executive summary of its proposal that consists of a brief narrative overview of the services proposed. The executive summary also should identify any services to be provided that are beyond those specifically requested. If the proposer proposes to provide services that do not meet the specific requirements of this RFQ, but in the opinion of the proposer are equivalent or superior to those specifically requested, any such differences must be expressly noted. **However, the proposer should recognize that a proposal that does not respond to the specific services requested maybe subject to disqualification.**</p> |
| Engagement Personnel, Qualifications and Experience |
| <p>The proposal must identify the person who will have responsibility for management of the professional services. The proposal should state that this person will be available and accessible to the City or its designee(s) throughout the period of the contract.</p> |
| <p>The proposal shall list all personnel at the management and supervisory level whom the proposer proposes to use in providing the professional services, including subcontractors. The list should identify such personnel by name, title, role, expected level of participation, and expected location of participation (proposer offices, agency offices, etc.).</p> |

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| <p>The proposal must identify the educational attainments, professional experience, and other qualifications of each of the above-referenced personnel, insofar as those are relevant to the professional services provided by such personnel. Prior experience and projects with work similar to that requested in this RFQ should be separately detailed for each of the personnel. For each, provide the name of the project, location, brief description, and name and phone number of a contact person.</p> |
| <p>The proposal must describe the competence, capabilities, and objectivity of personnel.</p> <ol style="list-style-type: none"> 1. The actuary who will have responsibility for managing the engagement must: Be a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. 2. Each supporting actuary must either be a Fellow of the Society of Actuaries or a Member of the American Academy of Actuaries. Any non-actuaries must work under the supervision of the principal actuary to perform actuarial work. |
| <p>Detailed Plan of Work</p> |
| <p>The proposal must include a plan of work to perform and complete the specific responsibilities, for deliverables. The plan of work must describe in detail the methodology to be employed by the proposer to perform the requested services. The proposer should describe the level and nature of support needed from the City for successful completion of professional services.</p> |
| <p>Please provide a timeline for the detailed plan of work.</p> |
| <p>Please provide key milestones for deliverables.</p> |
| <p>The proposer should describe the ways in which the proposer intends to coordinate with the City, other state entities, and other state entities’ actuaries, to avoid duplication of effort.</p> |

4.2 Vendor Selection

- A. The City may elect to conduct interviews with vendors regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services.
- B. The City shall select, in order of preference, based on the above criteria, the vendor deemed to be the most highly qualified to provide the services required.
- C. The City shall then negotiate a contract with the retained proposer ultimately selected in accordance with State statutes and City ordinances for the services to be rendered.

5. Instructions for Submitting Responses

- 5.1 A total of three (3) signed Proposals by a person authorized by the Company to execute contracts shall be provided to the City Clerk’s office.

Responses may be mailed or delivered to the following:

Maumelle City Hall
 Attn: Tina Timmons, City Clerk/Treasurer
 550 Edgewood Drive
 Maumelle, Arkansas 72113

- 5.2 Proposals shall be in English.
- 5.3 The City shall have the right, in its sole discretion, to determine what constitutes a

minor deviation or informality and to waive minor deviations and informalities.

6. Questions and Clarifications

- 6.1 All requests for clarification or additional information shall be submitted in writing to the City of Maumelle Director of Finance, Liz Mathis at lmathis@maumelle.org. Written questions shall be submitted by 4:00 p.m., no less than seven (10) calendar days prior to the submission deadline.
- 6.2 Written questions from vendors will be consolidated and responded to by the City. The City's consolidated written response is anticipated to be posted to the City website no later than the close of business seven (7) calendar days prior to the submission deadline.
- 6.3 All questions and answers, clarification of, or amendments to, this RFQ will be published on the City's website at <https://www.maumelle.org/564/Request-for-Professional-Services>. It is the vendor's responsibility to review the City's RFQ information online in order to obtain all available information and all updated requirements for this RFQ.