CITY OF AUSTIN, TEXAS

Purchasing Office

REQUEST FOR PROPOSAL (RFP)

OFFER SHEET

SOLICITATION NO: RFP 7400 CTE3000
DATE ISSUED June 4, 2018

COMMODITY/SERVICE DESCRIPTION: Audit of Actuarial Valuations, Studies, and Reports for:
The Austin Police Retirement System (APRS),
The City of Austin Employee's Retirement System (ERS), and
The Austin Fire Fighters Relief & Retirement Fund (AFRS).

REQUISITION NO.: RQM 7400 18042500454

COMMODITY CODE: 94612, 91804

PRE-PROPOSAL CONFERENCE TIME AND DATE: June 8, 2018, 9:30 AM Central Time

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET
RM 308, AUSTIN, TEXAS 78701
Call In Information: 512-974-9300 **Code 633927**

FOR CONTRACTUAL AND TECHNICAL ISSUES CONTACT THE FOLLOWING AUTHORIZED CONTACT PERSON:

Cyrenthia Ellis
Procurement Manager

Phone: (512) 974-1709
E-Mail: Cyrenthia.Ellis@austintexas.gov

Lynnette Hicks
Procurement Specialist IV

Phone: (512) 974-3349
E-Mail: Lynnette.Hicks@austintexas.gov

PROPOSAL DUE PRIOR TO: June 28, 2018, 2:00 PM Central Time

PROPOSAL OPENING TIME AND DATE: June 28, 2018, 3:00 PM Central Time

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET
RM 308, AUSTIN, TEXAS 78701

LIVE SOLICITATION OPENING ONLINE: For RFP's, only the names of respondents will be read aloud

For information on how to attend the Solicitation Closing online, please select this link:

http://www.austintexas.gov/department/bid-opening-webinars

When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:

Address for US Mail (Only)	Address for FedEx, UPS, Hand Delivery or Courier Service
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # CTE3000	Purchasing Office-Response Enclosed for Solicitation # CTE3000
P.O. Box 1088	124 W 8th Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.

All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY (USB FLASH DRIVE) OF YOUR RESPONSE

*****SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT*****

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	6
0500	SCOPE OF WORK	2
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	6
0605	LOCAL BUSINESS PRESENCE IDENTIFICATION FORM – Complete and return	2
0700	REFERENCE SHEET – Complete and return if required	1
0800	NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION–Complete and return	2
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	*
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	*
0835	NONRESIDENT BIDDER PROVISIONS – Complete and return	1
0840	SERVICE-DISABLED VETERAN BUSINESS ENTERPRISE – Complete and return	1
0900	SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM – Complete & return	1
0905	SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN – Complete and return if applicable	3

*** Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the * Sections are available on the Internet at the following online address:**

http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS

If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8th Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: ______________________________

Company Address: ______________________________

City, State, Zip: ______________________________

Federal Tax ID No. ______________________________

Printed Name of Officer or Authorized Representative: ______________________________

Title: ______________________________

Signature of Officer or Authorized Representative: ______________________________

Date: ______________________________

Email Address: ______________________________

Phone Number: ______________________________

*** Proposal response must be submitted with this signed Offer sheet to be considered for award**

CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS

The following Supplemental Purchasing Provisions apply to this solicitation:

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)

   All requests for explanations or clarifications must be submitted in writing to the Purchasing Office no later than 3:00 PM on the date one week prior to the solicitation opening date. Questions may be made via email to Cyrenthia.Ellis@austintexas.gov.

2. **INSURANCE:** Insurance is required for this solicitation.

   A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

      i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
      ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
      iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
      iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

         City of Austin Purchasing Office
         P. O. Box 1088
         Austin, Texas 78767

         OR

         PURInsuranceCompliance@austintexas.gov

   B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

      i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are $100,000 bodily injury each accident, $500,000 bodily injury by disease policy limit and $100,000 bodily injury by disease each employee.
         (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
            (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
            (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
      ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are $500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).

(1) The policy shall contain the following provisions:
   (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
   (b) Contractor/Subcontracted Work.
   (c) Products/Completed Operations Liability for the duration of the warranty period.
   (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.

(2) The policy shall also include these endorsements in favor of the City of Austin:
   (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
   (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
   (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage

iii. **<u>Business Automobile Liability Insurance</u>:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of $500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are $250,000 bodily injury per person, $500,000 bodily injury per occurrence and at least $100,000 property damage liability per accident.

(1) The policy shall include these endorsements in favor of the City of Austin:
   (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
   (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
   (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.

iv. **<u>Professional Liability Insurance:</u>** The Contractor shall provide coverage, at a minimum limit of $ 1,000,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Agreement.

If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for 24 months following the completion of the contract.

C. **<u>Endorsements</u>:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

3. **<u>TERM OF CONTRACT</u>:**

A. The Contract shall commence upon execution, unless otherwise specified, and shall remain in effect for the greater of 12 months or until work is completed and final invoice is paid.

B. Upon expiration of the initial term or any period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary for the City to re-solicit and/or complete the deliverables due under this Contract. Any hold over period will not exceed 120 calendar days unless mutually agreed on by both parties in writing.

C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above.

4. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)

A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

	City of Austin
Department	City of Austin Treasury Office
Attn:	Belinda Weaver
Address	P. O. Box 2106
City, State Zip Code	Austin, Texas 78768

B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.

5. **LIVING WAGES:**

The City's Living Wage Program, Rule R161-17.14, is located at:
http://www.austintexas.gov/edims/document.cfm?id=277854

A. The minimum wage required for all Contractor Employees (and all tiers of Subcontracting) directly assigned to this City Contract is $14.00 per hour, unless Published Wage Rates are included in this solicitation. In addition, the City may stipulate higher wage rates in certain solicitations in order to assure quality and continuity of service.

B. The City requires Contractors submitting Offers on this Contract to provide a certification **(see the Living Wages Contractor Certification included in the Solicitation**) with their Offer certifying that all Contractor Employees (and all tiers of Subcontracting) directly assigned to this City Contract will be paid a minimum living wage equal to or greater than $14.00 per hour. The certification shall include a list of all Contractor Employees (and all tiers of Subcontracting) directly assigned to providing services under the resultant contract including their name and job title. The list shall be updated and provided to the City as necessary throughout the term of the Contract.

C. The Contractor shall maintain throughout the term of the resultant contract basic employment and wage information for each employee as required by the Fair Labor Standards Act (FLSA).

D. The Contractor shall provide to the Department's assigned Contract Manager with the first invoice, individual Employee Certifications for all Contractor Employees (and all tiers of Subcontracting) directly assigned to the contract. The City reserves the right to request individual Employee Certifications at any time during the contract term. Employee Certifications shall be signed by each Contractor Employee (and all tiers of Subcontracting) directly assigned to the contract. The

Employee Certification form is available on-line at https://www.austintexas.gov/financeonline/vendor_connection/index.cfm.

E. Contractor shall submit employee certifications for Contractor Employees (and all tiers of Subcontracting) annually on the anniversary date of contract award with the respective invoice to verify that employees are paid the Living Wage throughout the term of the contract. The Employee Certification Forms shall be submitted for Contractor Employees (and all tiers of Subcontracting) added to the contract and/or to report any employee changes as they occur.

F. The Department's assigned Contract Manager will periodically review the employee data submitted by the Contractor to verify compliance with this Living Wage provision. The City retains the right to review employee records required in paragraph C above to verify compliance with this provision.

6. **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING:**

A. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 amending Chapter 2.7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.

B. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.

C. If an Offeror has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Offeror is given written notice and a hearing in advance of the debarment.

D. The City requires Offerors submitting Offers on this Solicitation to certify that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at: http://www.ci.austin.tx.us/edims/document.cfm?id=161145

7. **NON-SOLICITATION:**

A. During the term of the Contract, and for a period of six (6) months following termination of the Contract, the Contractor, its affiliate, or its agent shall not hire, employ, or solicit for employment or consulting services, a City employee employed in a technical job classification in a City department that engages or uses the services of a Contractor employee.

B. In the event that a breach of Paragraph A occurs the Contractor shall pay liquidated damages to the City in an amount equal to the greater of: (i) one (1) year of the employee's annual compensation; or (ii) 100 percent of the employee's annual compensation while employed by the City. The Contractor shall reimburse the City for any fees and expenses incurred in the enforcement of this provision.

C. During the term of the Contract, and for a period of six (6) months following termination of the Contract, a department that engages the services of the Contractor or uses the services of a

Contractor employee will not hire a Contractor employee while the employee is performing work under a Contract with the City unless the City first obtains the Contractor's approval.

D. In the event that a breach of Paragraph C occurs, the City shall pay liquidated damages to the Contractor in an amount equal to the greater of: (i) one (1) year of the employee's annual compensation or (ii) 100 percent of the employee's annual compensation while employed by the Contractor.

8. **INTERLOCAL PURCHASING AGREEMENTS:** (applicable to competitively procured goods/services contracts).

A. The City has entered into Interlocal Purchasing Agreements with other governmental entities, pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Contractor agrees to offer the same prices and terms and conditions to other eligible governmental agencies that have an interlocal agreement with the City.

B. The City does not accept any responsibility or liability for the purchases by other governmental agencies through an interlocal cooperative agreement.

9. **OWNERSHIP AND USE OF DELIVERABLES:** The City shall own all rights, titles, and interests throughout the world in and to the Deliverables.

A. **Patents:** As to any patentable subject matter contained in the Deliverables, the Contractor agrees to disclose such patentable subject matter to the City. Further, if requested by the City, the Contractor agrees to assign and, if necessary, cause each of its employees to assign the entire right, title, and interest to specific inventions under such patentable subject matter to the City and to execute, acknowledge, and deliver and, if necessary, cause each of its employees to execute, acknowledge, and deliver an assignment of letters patent, in a form to be reasonably approved by the City, to the City upon request by the City.

B. **Copyrights:** As to any Deliverable containing copyrighted subject matter, the Contractor agrees that upon their creation, such Deliverables shall be considered as work made-for-hire by the Contractor for the City and the City shall own all copyrights in and to such Deliverables, provided however, that nothing in this Paragraph 36 shall negate the City's sole or joint ownership of any such Deliverables arising by virtue of the City's sole or joint authorship of such Deliverables. Should by operation of law, such Deliverables not be considered work made-for-hire, the Contractor hereby assigns to the City (and agrees to cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver an assignment to the City of Austin) all worldwide right, title, and interest in and to such Deliverables. With respect to such work made-for-hire, the Contractor agrees to execute, acknowledge and deliver and cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver a work-for-hire agreement, in a form to be reasonably approved by the City, to the City upon delivery of such Deliverables to the City or at such other time as the City may request.

C. **Additional Assignments:** The Contractor further agrees to, and if applicable, cause each of its employees to execute, acknowledge, and deliver all applications, specifications, oaths, assignments, and all other instruments which the City might reasonably deem necessary in order to apply for and obtain copyright protection, mask work registration, trademark registration and/or protection, letters patent, or any similar rights in any and all countries and in order to assign and convey to the City, its successors, assigns, and nominees, the sole and exclusive right, title, and interest in and to the Deliverables, The Contractor's obligations to execute acknowledge, and deliver (or cause to be executed, acknowledged, and delivered) instruments or papers such as those described in this Paragraph 36 A., B., and C. shall continue after the termination of this Contract with respect to such Deliverables. In the event the City should not seek to obtain copyright protection, mask work registration or patent protection for any of the Deliverables, but should arise to keep the same secret, the Contractor agrees to treat the same as Confidential Information under the terms of Paragraph above.

10. **CONTRACT MANAGER*:** The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Belinda Weaver

512-974-7885

Belinda.Weaver@austintexas.gov

***Note: The above listed Contract Manager is not the authorized Contact Person for purposes of the NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING Provision of this Section; and therefore, contact with the Contract Manager is prohibited during the no contact period.**

CITY OF AUSTIN
AUDIT OF ACTUARIAL VALUATIONS, STUDIES AND REPORTS
SCOPE OF WORK
SOLICITATION NUMBER: RFP 7400 CTE3000

1. PURPOSE

The City of Austin, hereinafter referred to as the City, seeks Offers in response to this Solicitation from Independent Actuary firms qualified and experienced in actuarial audits including review of valuations in light of Actuarial Standard of Practice (ASOP) Nos. 27 and 35 to satisfy the requirements of Texas Government Code Section 802.1012 -
(URL address: https://statutes.capitol.texas.gov/Docs/GV/htm/GV.802.htm)

2. BACKGROUND

The Texas Legislature approved HB 2664 during the 2007 session which requires the City to engage an independent Actuary that has the credentials required for an Actuary under Section 802.101 (d) of the Texas Government Code to audit the actuarial work of the City's three retirement systems: Austin Police Retirement System (APRS), City of Austin Employee's Retirement System (ERS) and Austin Fire Fighters Relief & Retirement Fund (AFRS).

3. SCOPE OF WORK

A. Title of Program

Audit of Actuarial Valuations, Studies, and Reports for:

1. The Austin Police Retirement System (APRS),
2. The City of Austin Employee's Retirement System (ERS), and
3. The Austin Fire Fighters Relief & Retirement Fund (AFRS).

B. Objective

To select an Independent Actuary for each retirement system identified in the above Title of the Program. A firm may provide an offer for one, two or all three retirement systems. The "Audit of Actuarial Valuations, Studies, and Reports" shall include a review of the valuations from January 2013 to December 2017, in light of ASOP Nos. 27 and 35, for reasonableness, consistency and completeness at the time the valuations were completed. The City may select one two or three, firms to perform these services.

C. Minimum Requirements

To satisfy the requirements of the Texas Government Code Section 802.1012 the independent

Actuary shall:

- Be a fellow of the Society of Actuaries, a member of the American Academy of Actuaries, or an enrolled actuary under the Employee Retirement Income Security Act of 1974, with five of more years of experience as an actuary working with one or more public retirement systems.
- Agree in writing to maintain the confidentiality and non-disclosure of any nonpublic information provided by the public retirement system for the audit.
- Before beginning the audit, the independent Actuary must meet with the Board of Trustees ("the Board") and Administrator of APRS, ERS, and AFRS in which the audit is being performed, to discuss the appropriate assumptions to use in conducting the audit. The independent Actuary will also meet with City representatives to discuss the appropriate assumptions to use in conducting the audit. The reviewing Actuary is also expected to communicate with the current Actuary for each respective pension system as necessary and appropriate.

D. **Deliverables**

- Actuary shall have the study completed by February 28, 2019, or within an agreed upon time with the City

- Each audit report must address at a minimum:

    - Appropriateness of the actuarial cost method used to calculate the normal cost and actuarial accrued liability;
    - Appropriateness of the method used to develop the actuarial value of assets;
    - Appropriateness of the assumptions used in the actuarial valuation;
    - Completeness of the valuation report and any additional items which the reviewing actuary believes should be included in future valuation reports and also items which could be omitted from future reports;
    - Whether the valuation meets all statutory requirements, the requirements of the Texas State Pension Review Board Guidelines for Actuarial Soundness, and relevant Actuarial Standards Board Standards of Practice; and
    - Other items or issues which the Actuary believes should be addressed.

E. **Acceptance of Work**

To constitute acceptance by the City of Austin, the Actuary shall submit to the respective retirement system, no later than the 30th day after completing the audit, a preliminary, substantially complete, draft of the audit reports for purposes of discussion and clarification. Actuary shall:

1. Discuss the preliminary draft of each audit report with the respective governing body of the City's retirement systems;

2. Request in writing that the retirement system, on or before the 30th day after the date of receiving the preliminary draft, submit to the independent Actuary any response that the retirement system wants to accompany the final audit report;

3. Submit to the City the final audit reports that include the audit results and any response received from the retirement system:
    a. Not earlier than the 31st day after the date on which the preliminary draft is submitted to the retirement system; and
    b. Not later than the 60th day after the date on which the preliminary draft is submitted to the retirement system; and

4. Present, in person, the audit results and reports (together with any response to the audit report submitted by the retirement system) at the next regularly scheduled meeting of the City Council following the independent Actuary's submittal of the audit to the City. Reviewing Actuary shall provide both a digital copy of the presentation.

5. Provide to the City a digital and six (6) printed copies of the final audit report for each pension system. Final audit report must be signed by the reviewing Actuary firm's staff. The audit reports and all rights thereto will become the exclusive property of the City.

F. **Timeline**

The City anticipates the resulting contract from this solicitation to begin immediately following contract execution. Contract execution is expected to be completed within 10 business days of Council's approval of recommendation. Expected date for Council is October 9, 2018.

CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP 7400 CTE3000

1. **Special Instructions:**

Proposers are expected to closely read this Request for Proposals (RFP) and provide complete responses to each section along with a signature on the Offer Sheet which signifies an intent to comply with the terms and conditions outlined herein. Proposers should review each section carefully as their response will become part of the final Contract. Rejection of or requesting exceptions to the provisions outlined in this RFQS may lead the City to deem the Proposer as non-responsive.

Response Format:

Proposers shall submit one original paper copy and one electronic copy (flash drive) of their Response in PDF format. The original Response shall be printed on standard (8.5 X 11 inch) paper and shall have consecutively numbered pages. The original copy shall be bound or in a 3-ring binder, shall be clearly labeled as "**ORIGINAL**" and shall include the signature of the person authorized to sign on behalf of the Proposer

Responses must be organized in the following Tab format and information sequence. Use tabs to divide each part of your Response and include a Table of Contents and book mark the electronic version. Proposers shall provide all details in the Response as required in Section 0500 Scope of Work and any additional information deemed necessary to evaluate the proposal.

Tab 1 – City of Austin Purchasing Documents

Complete and submit the following documents as part of the response:

a. Completed and signed Offer Sheet
b. Signed Addendum's (all pages)
c. Completed Section 0605 local Business Presence Identification Form
d. Completed and signed Section 0800 Non-Discrimination and Non-Retaliation Certification Form
e. Completed Section 0835 Non-Resident Bidder Form
f. Completed Section 0840 Service Disabled Veteran Business Enterprise Preference Form
g. Completed and signed Section 0900 Subcontracting/Sub/Consulting Utilization Form
h. Completed Section 0905: Subcontracting/Sub-Consulting Utilization Plan

If you use Subcontractors, you must contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service and include the completed Section 0900, MBE/WBE No Goals Form with your Response packet. Include the Section 0900, MBE/WBE No Goals Form in Tab 2e of your Response along with all the required SMBR documentation and Good Faith Efforts.

Tab 2 – Executive Summary

Proposer shall provide an Executive Summary of three (3) pages or less, which gives in brief, concise terms, a summation of the proposal. Clearly state if proposal is for one (1), two (2) or all three (3) Retirement systems.

NOTE: If Proposer is proposing to more than one Retirement System, and there are changes to any of the Tab values between Tab 3 – Tab 7, the tab value should be proceeded by the letter "a" for The Austin Police Retirement System (APRS), the letter "b" for the City of Austin Employee's Retirement System (ERS), and the letter "c" for the Austin Fire Fighters Relief & Retirement Fund (AFRS). For example, Proposer will submit proposals on the APRS and AFRS the Proposer should use Tab 3a – Tab 7a for responses to APRS; and, Tab 3c – Tab 7c for responses pertaining to AFRS.

Tab 3 – Business Organization

Business Organization: State full name and address of your organization and identify parent company if you are a subsidiary. Specify the branch office or other subordinate element which will perform, or assist in performing, work herein. Indicate whether you operate as a partnership, corporation, or individual. Include the State in which incorporated or licensed to operate.

Concept and Solution: Define in detail your understanding of the requirement presented in the Scope of Work of this request for proposal and your solution. Provide all details as required in the Scope of Work and any additional information you deem necessary to evaluate your proposal.

Program: Describe your plan for accomplishing required work. Include such time-related displays, graphs, and charts as necessary to show tasks, sub-tasks, milestones, and decision points related to the Scope of Work and your plan for accomplishment. Specifically indicate:

i. A description of your work program by tasks. Detail the steps you will take in proceeding from Task 1 to the final tasks.

ii. The degree of definition provided in each element of your plan.

iii. The points at which written, deliverable reports will be provided.

iv. A statement of your compliance with all applicable rules and regulations of Federal, State and Local governing entities. The Proposer must state his compliance with terms of this Request for Proposal (RFP).

Tab 4 - Project Management Structure:

Provide a general explanation and chart which specifies project leadership and reporting responsibilities; and interface the team with City project management and team personnel. If use of subcontractors is proposed, identify their placement in the primary management structure, and provide internal management description for each subcontractor.

Tab 5- Prior Experience:

Describe only relevant corporate experience and individual experience for personnel who will be actively engaged in the project. Do not include corporate experience unless personnel assigned to this project actively participated. Do not include experience prior to 2008. Supply the project title, year, and reference name, title, present address, and phone number of principal person for whom prior projects were accomplished.

Tab 6 - Personnel:

Include names and qualifications of all professional personnel who will be assigned to this project. State the primary work assigned to each person and the percentage of time each person will devote to this work. Identify key persons by name and title. Provide a 2 or less page resume of all professional personnel assigned to this contract. Include a copy of the certificate for the Actuaries that are members of the Society of Actuaries or American Academy of Actuaries.

Tab 7 - Cost Proposal:

Information described in the following subsections is required from each Proposer. Your method of costing may or may not be used but should be described. A firm fixed price or not-to-exceed Contract is contemplated.

If proposing on multiple retirement systems, include a separate Cost Proposal for each retirement system. The name of the Retirement System shall appear in the header of each page.

Total cost schedule per retirement system.

i. Fees quoted should be inclusive of all expenses, including, but not limited to travel, printing, cost of supplies and materials, etc.

ii. Use the same break down structure and total cost schedule for each of the three Retirement Systems.

iii. Manpower. Itemize to show the following for each category of personnel with separate hourly rates:

   (1) manager, senior consultant, analyst, subcontractor, etc.

   (2) estimated hours for each category of personnel

   (3) rate applied for each category of personnel

   (4) total cost

iv. Provide an hourly rate schedule of the firm's personnel for informational purposes should the City need additional services outside of the Scope of Work herein.

2. **Section 0605: Local Business Presence**:

The City seeks opportunities for businesses in the Austin Corporate City Limits to participate on City contracts. A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of

Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation. Points will be awarded through a combination of the Offeror's Local Business Presence and/or the Local Business Presence of their subcontractors. Evaluation of the Team's Percentage of Local Business Presence will be based on the dollar amount of work as reflected in the Offeror's MBE/WBE Compliance Plan or MBE/WBE Utilization Plan. Specify if and by which definition the Offeror or Subcontractor(s) have a local business presence.

3. **Section 0840: Service-Disabled Veteran Business Enterprise ("SDVBE"):**

Pursuant to the interim Service-Disabled Veteran Business Enterprise (SDVBE) Program, Offerors submitting proposals in response to a Request for Proposals shall receive a three-point (3 percent) preference if the Offeror, at the same time the proposal is submitted, is certified by the State of Texas, Comptroller of Public Accounts as a Historically Underutilized Business and is a Service-Disabled Veteran Business Enterprise. This preference does not apply to subcontractors. To receive this preference, Offerors shall complete the enclosed Section 0840 Service-Disabled Veterans Business Enterprise Preference Form, in accordance with the Additional Solicitation Instructions included therein.

4. **Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying**:

i. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 Amending Chapter 2-7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.

ii. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.

iii. If a Respondent has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Respondent is given written notice and a hearing in advance of the debarment.

iv. The City requires Offerors submitting Offers on this Solicitation to provide a signed Section 0810, Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying Affidavit certifying that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance The text of the City Ordinance is posted on the Internet at: http://www.ci.austin.tx.us/edims/document.cfm?id=161145

5. **Proposal Acceptance Period**: All proposals are valid for a period of one hundred and eighty (180) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the proposal

6. **Proprietary Information**: All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the proposal to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

7. **Authorized Negotiator**: Include name, address, and telephone number of person in your organization authorized to negotiate Contract terms and render binding decisions on Contract matters.

8. **EXCEPTIONS:**

Be advised that exceptions to any portion of the Solicitation may jeopardize acceptance of the Proposal.

9. **PROPOSAL PREPARATION COSTS**:

All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a proposal which may be required by the City shall be the sole responsibility of the Proposer.

10. **EVALUATION FACTORS AND AWARD**

A. **Competitive Selection**: This procurement will comply with applicable City Policy. The successful Proposer will be selected by the City on a rational basis. Evaluation factors outlined in Paragraph B below shall be applied to all eligible, responsive Proposers in comparing proposals and selecting the Best Offeror. Award of a Contract may be made without discussion with Proposers after proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

B. **Evaluation Factors**:

i. 100 points per Retirement System proposed too:

(1) (**Concept and Solutions Proposed (25 points)**
Grasp of the requirement and its solution(s), responsiveness to terms and conditions, completeness and thoroughness of the methodology and approach proposed. Proposer should understand the requirements and identify their proposed plan to accomplish them.

(2) Demonstrated Applicable Experience (10 points)
(a) Service provider’s demonstrated experience as an Actuary
(b) Service provider’s demonstrated experience in any other relevant area

(3) Personnel Qualifications (10 points)
The reviewing Actuary must be a fellow of the Society of Actuaries, a member of the American Academy of Actuaries, or an enrolled actuary under the Employee Retirement Income Security Act of 1974, preferably with five of more years of experience as an actuary working with one or more public retirement systems

(4) Schedule (7 points)
Timelines meets the City's estimated timeline described in the Scope of Work of the RFP

(5) Total Evaluated Cost (30 points)

<u>If proposing on more than one retirement system, the City will review each Cost proposal independently, for a maximum of 30 points each.</u>

Lowest proposed price for each Retirement System will receive the maximum points, and percentage ratios will be provided for the remaining proposals for that retirement system.

(6) Financial viability/stability (5 points)
Provide a copy of the firm's most recent audited financial statements.

(7) Service-Disabled Veteran Business Enterprise Preference (3 points)

(8) LOCAL BUSINESS PRESENCE (Maximum 10 points)

Team's Local Business Presence	Points Awarded
Local business presence of 90% to 100%	10
Local business presence of 75% to 89%	8
Local business presence of 50% to 74%	6
Local business presence of 25% to 49%	4
Local presence of between 1 and 24%	2
No local presence	0

ii. Interviews Optional. The City will score proposals based on the criteria listed above. The City may select a "short list" of Proposers based on those scores. "Short-listed" Proposers may be invited for an interview with the City. The City reserves the right to re-score "short-listed" proposals as a result, and to make award recommendations on that basis.

Section 0605: Local Business Presence Identification

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.

NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).

USE ADDITIONAL PAGES AS NECESSARY

OFFEROR:

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

Section 0700: Reference Sheet

Responding Company Name ____

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers with retirement systems of similar size and complexity to the City of Austin to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name ____
   Name and Title of Contact ____
   Project Name ____
   Present Address ____
   City, State, Zip Code ____
   Telephone Number (_____)________________ Fax Number (_____)_________________
   Email Address ____

2. Company's Name ____
   Name and Title of Contact ____
   Project Name ____
   Present Address ____
   City, State, Zip Code ____
   Telephone Number (_____)________________ Fax Number (_____)_________________
   Email Address ____

3. Company's Name ____
   Name and Title of Contact ____
   Project Name ____
   Present Address ____
   City, State, Zip Code ____
   Telephone Number (_____)________________ Fax Number (_____)_________________
   Email Address ____

City of Austin, Texas
Section 0800
NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION

City of Austin, Texas

Equal Employment/Fair Housing Office

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

(1) Not to engage in any discriminatory employment practice defined in this chapter.

(2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.

(3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.

(4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.

(5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.

(6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.

(7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of $2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their compliant, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filling. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this _________________ day of ___________________, ____________

CONTRACTOR ____________________________

Authorized Signature ____________________________

Title ____________________________

Section 0835: Non-Resident Bidder Provisions

Company Name ____

A. Bidder must answer the following questions in accordance with Vernon's Texas Statues and Codes Annotated Government Code 2252.002, as amended:

   Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

   Answer: ____

   (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
   (2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

B. If the Bidder id a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

   Answer: ____________________________   Which State: ____________________________

C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

   Answer: ____

Section 0840, Service-Disabled Veteran Business Enterprise Preference

Offeror Name
[OFFEROR NAME]

Additional Solicitation Instructions.

1. ☐ By checking this box, Offeror states they are NOT a certified Service-Disabled Veteran Business Enterprise seeking to claim preference points under the City of Austin's SDVBE Program.
2. Offerors seeking to claim the Service-Disabled Veteran Business Enterprise (SDVBE) preference shall be certified **under one of the two following scenarios**. Offerors shall check one of the following boxes, input the data in the applicable table below and include this completed form in their Proposal.

☐ **HUB/SV**. Offeror is certified as a Service-Disabled Veteran (SV) Historically Underutilized Business (HUB) by the Texas State Comptroller of Public Accounts.

Texas State HUB/SV Certification	
13-Digit Vendor ID (VID)	
HUB/SV Issue Date	
HUB/SV Expiration Date	

☐ **HUB/OTHER + Federal SDVOSB**. Offeror is certified by the Texas State Comptroller of Public Accounts as a Historically Underutilized Business in a HUB Eligibility Category other than Service-Disabled Veteran (SV) AND is verified by the US Veterans Administration as a Service-Disabled Veteran-Owned Small Business (SDVOSB). **Texas HUB Eligibility Categories:** HUB/BL (Black), HUB/AS (Asian), HUB/HI (Hispanic), HUB/AI (Native American), or HUB/WO (Women Owned).

Texas State HUB/OTHER Certification	
13-Digit Vendor ID (VID)	
HUB Eligibility Category	
HUB Issue Date	
HUB Expiration Date	

Federal SDVOSB Verification	
9-Digit DUNS	
SDVOSB Issue Date	
SDVOSB Expiration Date	

3. Offeror Identity. The Offeror submitting the Proposal shall be the same entity that is certified by the Texas State Comptroller of Public Accounts, AND if applicable as verified by the US Veterans Administration.
4. Certification Status. Offeror's certification(s) must be active on or before the Solicitation's due date for Proposals and shall not expire prior to the award and execution of any resulting contract.
5. Confirmation of Certification(s). Upon receipt of this completed form, the City will confirm the Offeror's certification(s): State: https://mycpa.cpa.state.tx.us/tpasscmblsearch. Federal: https://www.vip.vetbiz.gov/ The City will direct any questions concerning an Offeror's State or Federal certification status to the Offeror's contact person as designated on the Offer Form of their Proposal.
6. Misrepresentation. If the City determines that the Offeror requesting this preference is not certified by the State or Federal government if applicable, the Offeror will not receive the preference points. If the City determines that this misrepresentation was intentional, the City may also find the Offeror not responsible and may report the Offeror to the Texas State Comptroller of Public Accounts or if applicable to the US Veterans Administration. If the misrepresentation is discovered after contract award, the City reserves the right to void the contract.

Section 0900: SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form

SOLICITATION NUMBER: RFP 7400 CTE 3000 SOLICITATION TITLE: AUDIT OF ACTRAIAL VALUATIONS, STUDIES AND REPORTS

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

Instructions:
a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.
b.)Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☐ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**
Instructions: Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**
Instructions: Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

Offeror Information			
Company Name			
City Vendor ID Code			
Physical Address			
City, State Zip			
Phone Number		Email Address	
If the Offeror City of Austin M/WBE certified?	☐ NO ☐ YES Indicate one: ☐ MBE ☐ WBE ☐ MBE/WBE Joint Venture		

Offeror Certification: I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed **Subcontracting/Sub-Consulting Utilization Form,** and if applicable my completed **Subcontracting/Sub-Consulting Utilization Plan**, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the **Request For Change** form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan,** it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan,** it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form.

_______________________________________ _______________________________________

Name and Title of Authorized Representative (Print or Type) Signature/Date

Section 0905: SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan

SOLICITATION NUMBER: CTE 3000
SOLICITATION TITLE: AUDIT OF ACTRAIAL VALUATIONS, STUDIES AND REPORTS

INSTRUCTIONS: Offerors who DO intend to use Subcontractors may utilize M/WBE Subcontractor(s) or perform Good Faith efforts when retaining Non-certified Subcontractor(s). Offerors must determine which type of Subcontractor(s) they are anticipating to use (CERTIFIED OR NON-CERTIFIED), check the box of their applicable decision, and comply with the additional instructions associated with that particular selection.

☐ I intend to use City of Austin CERTIFIED M/WBE Subcontractor/Sub-consultant(s).

Instructions: Offerors may use Subcontractor(s) that ARE City of Austin certified M/WBE firms. Offerors shall contact SMBR (512-974-7600 or SMBRComplianceDocuments@austintexas.gov) to confirm if the Offeror's intended Subcontractor(s) are City of Austin certified M/WBE and if these firm(s) are certified to provide the goods and services the Offeror intends to subcontract. If the Offeror's Subcontractor(s) are current valid certified City of Austin M/WBE firms, the Offeror shall insert the name(s) of their Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)

☐ **I intend to use NON-CERTIFIED Subcontractor/Sub-Consultant(s) after performing Good Faith Efforts.**

Instructions: Offerors may use Subcontractors that ARE NOT City of Austin certified M/WBE firms ONLY after Offerors have first demonstrated Good Faith Efforts to provide subcontracting opportunities to City of Austin M/WBE firms.

STEP ONE: Contact SMBR for an availability list for the scope(s) of work you wish to subcontract;
STEP TWO: Perform Good Faith Efforts (Check List provided below);
STEP THREE: Offerors shall insert the name(s) of their certified or non-certified Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)
- All required documentation demonstrating the Offeror's performance of Good Faith Efforts (see Check List below)

GOOD FAITH EFFORTS CHECK LIST –

When using NON-CERTIFIED Subcontractor/Sub-consultants(s), **ALL of the following CHECK BOXES MUST be completed in order to meet and comply with the Good Faith Effort requirements and all documentation must be included in your sealed Offer. Documentation CANNOT be added or changed after submission of the bid.**

☐ **Contact SMBR.** Offerors shall contact SMBR (512-974-7600 or SMBRComplianceDocuments@austintexas.gov) to obtain a list of City of Austin certified M/WBE firms that are certified to provide the goods and services the Offeror intends to subcontract out. (Availability List). Offerors shall document their contact(s) with SMBR in the "SMBR Contact Information" table on the following page.

☐ **Contact M/WBE firms.** Offerors shall contact all of the M/WBE firms on the Availability List with a Significant Local Business Presence which is the Austin Metropolitan Statistical Area, to provide information on the proposed goods and services proposed to be subcontracted and give the Subcontractor the opportunity to respond on their interest to bid on the proposed scope of work. When making the contacts, Offerors shall use at least two (2) of the following communication methods: email, fax, US mail or phone. Offerors shall give the contacted M/WBE firms at least seven days to respond with their interest. Offerors shall document all evidence of their contact(s) including: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.

SOLICITATION NUMBER: CTE 3000 SOLICITATION TITLE: AUDIT OF ACTRAIAL VALUATIONS, STUDIES AND REPORTS

☐ **Follow up with responding M/WBE firms.** Offeror shall follow up with all M/WBE firms that respond to the Offeror's request. Offerors shall provide written evidence of their contact(s): emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.

☐ **Advertise**. Offerors shall place an advertisement of the subcontracting opportunity in a local publication (i.e. newspaper, minority or women organizations, or electronic/social media). Offerors shall include a copy of their advertisement, including the name of the local publication and the date the advertisement was published.

☐ **Use a Community Organization.** Offerors shall solicit the services of a community organization(s); minority persons/women contractors'/trade group(s); local, state, and federal minority persons/women business assistance office(s); and other organizations to help solicit M/WBE firms. Offerors shall provide written evidence of their Proof of contact(s) include: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, organization contacted, phone number, email address and contact person.

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan

SOLICITATION NUMBER: CTE 3000
SOLICITATION TITLE: AUDIT OF ACTRAIAL VALUATIONS, STUDIES AND REPORTS

(Offerors may duplicate this page to add additional Subcontractors as needed)

Subcontractor/Sub-consultant	
City of Austin Certified	☐ MBE ☐ WBE Ethnic/Gender Code: ☐ NON-CERTIFIED
Company Name	
Vendor ID Code	
Contact Person	Phone Number:
Additional Contact Info	Fax Number: E-mail:
Amount of Subcontract	$
List commodity codes & description of services	
Justification for not utilizing a certified MBE/WBE	

Subcontractor/Sub-consultant	
City of Austin Certified	☐ MBE ☐ WBE Ethnic/Gender Code: ☐ NON-CERTIFIED
Company Name	
Vendor ID Code	
Contact Person	Phone Number:
Additional Contact Info	Fax Number: E-mail:
Amount of Subcontract	$
List commodity codes & description of services	
Justification for not utilizing a certified MBE/WBE	

SMBR Contact Information			
SMBR Contact Name	**Contact Date**	**Means of Contact**	**Reason for Contact**
		☐ Phone **OR** ☐ Email	

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:

Having reviewed this plan, I acknowledge that the Offeror ☐ HAS or ☐ HAS NOT complied with these instructions and City Code Chapters 2-9A/B/C/D, as amended.

____ ____________

Reviewing Counselor Date

I have reviewed the completing the Subcontracting/Sub-Consultant Utilization Plan and ☐ Concur ☐ Do Not Concur with the Reviewing Counselor's recommendation.

____ ____________

Director/Assistant Director or Designee Date

Bolton
36 S. Charles St. #1000, Baltimore, MD 21201 | boltonusa.com

Exhibit C

Proposal to Provide Audit of Actuarial Valuations, Studies and Reports

RFP 7400 CTE3000

Prepared for: The City of Austin

June 28, 2018

Prepared by:

Colin England, FSA, EA, FCA, MAAA
Senior Consulting Actuary
cengland@boltonusa.com
(443) 703-2512

James J. McPhillips, FSA, EA, FCA, MAAA
Senior Consulting Actuary
jmcphillips@boltonusa.com
(484) 319-5283

COVER LETTER

June 27, 2018

Cyrenthia Ellis
City of Austin
124 W 8th Street, Rm 308
Austin, TX 78701

Lynnette Hicks
City of Austin
124 W 8th Street, Rm 308
Austin, TX 78701

Re: RFP 7400 CTE3000

Dear Ms. Ellis and Ms. Hicks:

Bolton is pleased to present this response to the City of Austin's Request for Proposal to provide an Audit of Actuarial Valuations, Studies, and Reports. As you will see demonstrated in this proposal, Bolton has the experience and expertise necessary to provide the requested services in a timely manner with a commitment to providing the highest quality work.

The City of Austin (the City) is requesting technical actuarial assistance to comply with The Texas Legislature approved HB 2664 which requires the City to engage an independent Actuary to audit the actuarial work of the City's three retirement systems. This type of project is very much in line with work we do for other large governmental entities. We are currently in the process of performing actuarial audits of the five retirement systems in the City of New York. Recent work includes a review of GASB 74 and GASB 75 reports for the State of Texas and a review of GASB 68 calculations for the CalPERS pension plan. Prior related work includes serving as an expert witness in the Alaska Retirement Management Board vs. Marsh McLennan case, working for the ARMB.

We also assist the State Department's auditor Kearney and Company with their audit of the U.S. State Department's pension plans and the internal financial staff at the Department of Homeland Security (DHS) as actuarial experts, by reviewing their pension and OPEB plans in preparation for the annual financial audit by their outside auditor.

We are ideally suited to assist the City for the following reasons:

- We have extensive audit and other forensic experience with pension and OPEB plans through audits of State plans (such as the State of Texas OPEB audit we just completed), the Alaska litigation mentioned above, the audit and audit preparation work for the Departments of State and Homeland Security, and a host of clients for whom we have become actuaries. As a result, we know what causes problems for our clients and have learned how to ensure that our clients avoid them.

- Bolton is on the leading edge of understanding and implementing actuarial standards of practice. We are actively involved in the Society of Actuaries, Academy of Actuaries, and Conference of Consulting Actuaries with member of our team leading and serving on many of the boards and committees that guide the profession.
- The team of actuaries proposed are not just Enrolled Actuaries but also Fellows or Associates of the Society of Actuaries and bring extensive experience both with the technical work that we will be auditing and with the extensive consulting issues that can be addressed from valuation reports, valuation presentations, and other consulting assignments.

Jim McPhillips, FSA, EA, FCA, MAAA and Colin England, FSA, EA, FCA, MAAA will be the principal actuaries for this assignment. Colin was a lead actuary for the State of Texas OPEB plan audit and the CalPERS pension plan audit. Jim Ritchie, ASA, EA and Jordan McClane, ASA, EA will be key participants in performing the audits. Their resumes along with additional team members are provided in our proposal.

We appreciate the opportunity to present this proposal to assist the City and look forward to working with you.

Sincerely,

BOLTON

James J. McPhillips

James J. McPhillips, FSA, EA, FCA, MAAA
Senior Consulting Actuary
jmcphillips@boltonusa.com
(484) 319-5283

Colin England

Colin England, FSA, EA, FCA, MAAA
Senior Consulting Actuary
cengland@boltonusa.com
(443) 703-2512

James Ritchie

James Ritchie, ASA, EA
Senior Consulting Actuary
jritchie@boltonusa.com
(443) 573-3924

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Appendix A: Reference Sheet

Appendix B: Certificates

TAB 1 – CITY OF AUSTIN PURCHASING DOCUMENTS

Complete and submit the following documents as part of the response:
a. Completed and signed Offer Sheet
b. Signed Addenda (all pages)
c. Completed Section 0605 local Business Presence Identification Form
d. Completed and signed Section 0800 Non-Discrimination and Non-Retaliation Certification Form
e. Completed Section 0835 Non-Resident Bidder Form
f. Completed Section 0840 Service Disabled Veteran Business Enterprise Preference Form
g. Completed and signed Section 0900 Subcontracting/Sub/Consulting Utilization Form
h. Completed Section 0905: Subcontracting/Sub-Consulting Utilization Plan If you use Subcontractors, you must contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service and include the completed Section 0900, MBE/WBE No Goals Form with your Response packet. Include the Section 0900, MBE/WBE No Goals Form in Tab 2e of your Response along with all the required SMBR documentation and Good Faith Efforts.

The documents listed above have been included on the following pages.

A. Completed and Signed Offer Sheet

CITY OF AUSTIN, TEXAS

Purchasing Office

REQUEST FOR PROPOSAL (RFP)

OFFER SHEET

SOLICITATION NO: RFP 7400 CTE3000
DATE ISSUED June 4, 2018

COMMODITY/SERVICE DESCRIPTION: Audit of Actuarial Valuations, Studies, and Reports for:
The Austin Police Retirement System (APRS),
The City of Austin Employee's Retirement System (ERS), and
The Austin Fire Fighters Relief & Retirement Fund (AFRS).

REQUISITION NO.: RQM 7400 18042500454

COMMODITY CODE: 94612, 91804

PRE-PROPOSAL CONFERENCE TIME AND DATE: June 8, 2018, 9:30 AM Central Time

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET
RM 308, AUSTIN, TEXAS 78701
Call In Information: 512-974-9300 **Code 633927**

FOR CONTRACTUAL AND TECHNICAL ISSUES CONTACT THE FOLLOWING AUTHORIZED CONTACT PERSON:

Cyrenthia Ellis
Procurement Manager

Phone: (512) 974-1709
E-Mail: Cyrenthia.Ellis@austintexas.gov

Lynnette Hicks
Procurement Specialist IV

Phone: (512) 974-3349
E-Mail: Lynnette.Hicks@austintexas.gov

PROPOSAL DUE PRIOR TO: June 28, 2018, 2:00 PM Central Time

PROPOSAL OPENING TIME AND DATE: June 28, 2018, 3:00 PM Central Time

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET
RM 308, AUSTIN, TEXAS 78701

LIVE SOLICITATION OPENING ONLINE: For RFP's, only the names of respondents will be read aloud

For information on how to attend the Solicitation Closing online, please select this link:

http://www.austintexas.gov/department/bid-opening-webinars

When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:

Address for US Mail (Only)	Address for FedEx, UPS, Hand Delivery or Courier Service
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # CTE3000	Purchasing Office-Response Enclosed for Solicitation # CTE3000
P.O. Box 1088	124 W 8th Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.

All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY (USB FLASH DRIVE) OF YOUR RESPONSE

*****SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT*****

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	5
0500	SCOPE OF WORK	2
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	6
0605	LOCAL BUSINESS PRESENCE IDENTIFICATION FORM – Complete and return	2
0700	REFERENCE SHEET – Complete and return if required	2
0800	NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION–Complete and return	2
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	*
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	*
0835	NONRESIDENT BIDDER PROVISIONS – Complete and return	1
0840	SERVICE-DISABLED VETERAN BUSINESS ENTERPRISE – Complete and return	1
0900	SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM – Complete & return	1
0905	SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN – Complete and return if applicable	3

*** Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the * Sections are available on the Internet at the following online address:**

http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS

If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8th Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

<u>The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.</u>

Company Name: Bolton Partners, Inc.

Company Address: 36 S Charles St Suite 1000

City, State, Zip: Baltimore, MD 21201

Federal Tax ID No. ____________________

Printed Name of Officer or Authorized Representative: James McPhillips

Title: Senior Consulting Actuary

Signature of Officer or Authorized Representative: James J McPhillips

Date: June 27, 2018

Email Address: jmcphillips@boltonusa.com

Phone Number: 484-319-5283

<u>* Proposal response must be submitted with this signed Offer sheet to be considered for award</u>

B. Signed Addenda (All Pages)

C. Completed Section 0605 Local Business Presence Identification Form

Section 0605: Local Business Presence Identification

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.

NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).

USE ADDITIONAL PAGES AS NECESSARY

OFFEROR: Bolton - We do not have a Local Business Presence.

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

D. Completed and Signed Section 0800 Non-Discrimination and Non-Retaliation Certification Form

City of Austin, Texas
Section 0800
NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION

City of Austin, Texas

Equal Employment/Fair Housing Office

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

(1) Not to engage in any discriminatory employment practice defined in this chapter.

(2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.

(3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.

(4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.

(5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.

(6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.

(7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of $2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their compliant, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filling. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this ____27th____ day of ____June____, ____2018____

CONTRACTOR Bolton Partners, Inc.

Authorized Signature James J McPhillips

Title Senior Consulting Actuary

E. Completed Section 0835 Non-Resident Bidder Form

Section 0835: Non-Resident Bidder Provisions

Company Name Bolton Partners, Inc.

A. Bidder must answer the following questions in accordance with Vernon's Texas Statues and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: Nonresident Bidder

(1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

B. If the Bidder id a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: No Which State: Maryland

C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: N/A

F. Completed Section 0840 Service Disabled Veteran Business Enterprise Preference Form

Section 0840, Service-Disabled Veteran Business Enterprise Preference

Offeror Name
Bolton Partners, Inc.

Additional Solicitation Instructions.

1. ☑ By checking this box, Offeror states they are NOT a certified Service-Disabled Veteran Business Enterprise seeking to claim preference points under the City of Austin's SDVBE Program.

2. Offerors seeking to claim the Service-Disabled Veteran Business Enterprise (SDVBE) preference shall be certified **under one of the two following scenarios**. Offerors shall check one of the following boxes, input the data in the applicable table below and include this completed form in their Proposal.

   ☐ **HUB/SV**. Offeror is certified as a Service-Disabled Veteran (SV) Historically Underutilized Business (HUB) by the Texas State Comptroller of Public Accounts.

Texas State HUB/SV Certification	
13-Digit Vendor ID (VID)	
HUB/SV Issue Date	
HUB/SV Expiration Date	

   ☐ **HUB/OTHER + Federal SDVOSB**. Offeror is certified by the Texas State Comptroller of Public Accounts as a Historically Underutilized Business in a HUB Eligibility Category other than Service-Disabled Veteran (SV) AND is verified by the US Veterans Administration as a Service-Disabled Veteran-Owned Small Business (SDVOSB). **Texas HUB Eligibility Categories:** HUB/BL (Black), HUB/AS (Asian), HUB/HI (Hispanic), HUB/AI (Native American), or HUB/WO (Women Owned).

Texas State HUB/OTHER Certification	
13-Digit Vendor ID (VID)	
HUB Eligibility Category	
HUB Issue Date	
HUB Expiration Date	

Federal SDVOSB Verification	
9-Digit DUNS	
SDVOSB Issue Date	
SDVOSB Expiration Date	

3. Offeror Identity. The Offeror submitting the Proposal shall be the same entity that is certified by the Texas State Comptroller of Public Accounts, AND if applicable as verified by the US Veterans Administration.

4. Certification Status. Offeror's certification(s) must be active on or before the Solicitation's due date for Proposals and shall not expire prior to the award and execution of any resulting contract.

5. Confirmation of Certification(s). Upon receipt of this completed form, the City will confirm the Offeror's certification(s): State: https://mycpa.cpa.state.tx.us/tpasscmblsearch. Federal: https://www.vip.vetbiz.gov/ The City will direct any questions concerning an Offeror's State or Federal certification status to the Offeror's contact person as designated on the Offer Form of their Proposal.

6. Misrepresentation. If the City determines that the Offeror requesting this preference is not certified by the State or Federal government if applicable, the Offeror will not receive the preference points. If the City determines that this misrepresentation was intentional, the City may also find the Offeror not responsible and may report the Offeror to the Texas State Comptroller of Public Accounts or if applicable to the US Veterans Administration. If the misrepresentation is discovered after contract award, the City reserves the right to void the contract.

G. Completed and Signed Section 0900 Subcontracting/ Sub/Consulting Utilization Form

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form

SOLICITATION NUMBER: RFP 7400 CTE 3000
SOLICITATION TITLE: AUDIT OF ACTRAIAL VALUATIONS, STUDIES AND REPORTS

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

Instructions:
a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.
b.)Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☑ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**
Instructions: Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**
Instructions: Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

Offeror Information			
Company Name	Bolton Partners, Inc.		
City Vendor ID Code	N/A		
Physical Address	36 S Charles St Suite 1000		
City, State Zip	Baltimore, MD 21201		
Phone Number	410-547-0500	Email Address	jmcphillips@boltonusa.com
If the Offeror City of Austin M/WBE certified?	☑ NO ☐ YES Indicate one: ☐ MBE ☐ WBE ☐ MBE/WBE Joint Venture		

Offeror Certification: I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed **Subcontracting/Sub-Consulting Utilization Form,** and if applicable my completed **Subcontracting/Sub-Consulting Utilization Plan**, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the **Request For Change** form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan,** it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan,** it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form.

James McPhillips, Senior Consulting Actuary — James J McPhillips June 27, 2018

Name and Title of Authorized Representative (Print or Type) — Signature/Date

H. Completed Section 0905: Subcontracting/Sub-Consulting Utilization Plan

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE) PROCUREMENT PROGRAM

Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan

SOLICITATION NUMBER: CTE 3000
SOLICITATION TITLE: AUDIT OF ACTRAIAL VALUATIONS, STUDIES AND REPORTS

INSTRUCTIONS: Offerors who DO intend to use Subcontractors may utilize M/WBE Subcontractor(s) or perform Good Faith efforts when retaining Non-certified Subcontractor(s). Offerors must determine which type of Subcontractor(s) they are anticipating to use (CERTIFIED OR NON-CERTIFIED), check the box of their applicable decision, and comply with the additional instructions associated with that particular selection.

☐ I intend to use City of Austin CERTIFIED M/WBE Subcontractor/Sub-consultant(s).

Instructions: Offerors may use Subcontractor(s) that ARE City of Austin certified M/WBE firms. Offerors shall contact SMBR (512-974-7600 or SMBRComplianceDocuments@austintexas.gov) to confirm if the Offeror's intended Subcontractor(s) are City of Austin certified M/WBE and if these firm(s) are certified to provide the goods and services the Offeror intends to subcontract. If the Offeror's Subcontractor(s) are current valid certified City of Austin M/WBE firms, the Offeror shall insert the name(s) of their Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)

☐ **I intend to use NON-CERTIFIED Subcontractor/Sub-Consultant(s) after performing Good Faith Efforts.**

Instructions: Offerors may use Subcontractors that ARE NOT City of Austin certified M/WBE firms ONLY after Offerors have first demonstrated Good Faith Efforts to provide subcontracting opportunities to City of Austin M/WBE firms.

STEP ONE: Contact SMBR for an availability list for the scope(s) of work you wish to subcontract;
STEP TWO: Perform Good Faith Efforts (Check List provided below);
STEP THREE: Offerors shall insert the name(s) of their certified or non-certified Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)
- All required documentation demonstrating the Offeror's performance of Good Faith Efforts (see Check List below)

GOOD FAITH EFFORTS CHECK LIST –

When using NON-CERTIFIED Subcontractor/Sub-consultants(s), **<u>ALL</u> of the following CHECK BOXES <u>MUST</u> be completed in order to meet and comply with the Good Faith Effort requirements and all documentation must be included in your sealed Offer. Documentation CANNOT be added or changed after submission of the bid.**

☐ **Contact SMBR.** Offerors shall contact SMBR (512-974-7600 or SMBRComplianceDocuments@austintexas.gov) to obtain a list of City of Austin certified M/WBE firms that are certified to provide the goods and services the Offeror intends to subcontract out. (Availability List). Offerors shall document their contact(s) with SMBR in the "SMBR Contact Information" table on the following page.

☐ **Contact M/WBE firms.** Offerors shall contact all of the M/WBE firms on the Availability List with a Significant Local Business Presence which is the Austin Metropolitan Statistical Area, to provide information on the proposed goods and services proposed to be subcontracted and give the Subcontractor the opportunity to respond on their interest to bid on the proposed scope of work. When making the contacts, Offerors shall use at least two (2) of the following communication methods: email, fax, US mail or phone. Offerors shall give the contacted M/WBE firms at least seven days to respond with their interest. Offerors shall document all evidence of their contact(s) including: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.

Bolton will not be using subcontractors to provide the proposed services.

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)
PROCUREMENT PROGRAM
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan

SOLICITATION NUMBER: CTE 3000
SOLICITATION TITLE: AUDIT OF ACTRAIAL VALUATIONS, STUDIES AND REPORTS

- ☐ **Follow up with responding M/WBE firms.** Offeror shall follow up with all M/WBE firms that respond to the Offeror's request. Offerors shall provide written evidence of their contact(s): emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.

- ☐ **Advertise**. Offerors shall place an advertisement of the subcontracting opportunity in a local publication (i.e. newspaper, minority or women organizations, or electronic/social media). Offerors shall include a copy of their advertisement, including the name of the local publication and the date the advertisement was published.

- ☐ **Use a Community Organization.** Offerors shall solicit the services of a community organization(s); minority persons/women contractors'/trade group(s); local, state, and federal minority persons/women business assistance office(s); and other organizations to help solicit M/WBE firms. Offerors shall provide written evidence of their Proof of contact(s) include: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, organization contacted, phone number, email address and contact person.

Bolton will not be using subcontractors to provide the proposed services.

TAB 2 – EXECUTIVE SUMMARY

Proposer shall provide an Executive Summary of three (3) pages or less, which gives in brief, concise terms, a summation of the proposal. Clearly state if proposal is for one (1), two (2) or all three (3) Retirement systems.

NOTE: If Proposer is proposing to more than one Retirement System, and there are changes to any of the Tab values between Tab 3 – Tab 7, the tab value should be proceeded by the letter "a" for The Austin Police Retirement System (APRS), the letter "b" for the City of Austin Employee's Retirement System (ERS), and the letter "c" for the Austin Fire Fighters Relief & Retirement Fund (AFRS). For example, Proposer will submit proposals on the APRS and AFRS the Proposer should use Tab 3a – Tab 7a for responses to APRS; and, Tab 3c – Tab 7c for responses pertaining to AFRS.

About Us

Bolton is a full-service employee benefits, actuarial, and investment consulting firm with over 35 years of experience providing consulting services to clients in the Public and Corporate Sectors, Nonprofit Organizations, as well as for the Federal Government. We build long-term partnerships with our clients by delivering understandable, insightful, and impactful solutions to complex benefits issues so that they can best manage future financial risks and provide valuable benefits to their employees.

Our three consulting divisions provide Pension & Retirement, Health & Benefits, and Investment Consulting services for corporate, public sector, multi-employer plans, and nonprofit organizations. We have a national client base and a reputation for integrity and the highest quality of work.

Project Plan

Based on our review of the Scope of Work, it appears that the City of Austin is requesting a limited scope audit which is a Level 3 audit per the GFAO guidelines. A Level 3 audit examines the actuary's methods and assumptions for reasonableness and internal consistency without performing actuarial calculations.

Bolton is proposing to perform an audit for all three retirement systems. Our team of credentialed actuaries will work together with an overall project manager and an overall peer review actuary. Each retirement system audit will follow the same work plan and approach.

Key tasks during the audit will include:

- Review of plan documents, relevant law, summary plan descriptions and recent actuarial communications
- Initial meeting to establish our contacts for communication, gather reports, studies and other actuarial information that we will be auditing and to confirm assumptions and expectations for the project

- Communication with the plan actuary (if they are not included in the initial meeting) to confirm our understanding of communications they provided to the City and to ask questions based on our initial read of the materials
- Evaluation of whether the methods and assumptions used in determining the plan liability are in accordance with applicable Actuarial Standards of Practice issued by the Actuarial Standards Board, meet Texas state requirements, and are utilized appropriately
- Determination of whether the method and assumptions represent best practice, acceptable practice, or are cause for concern and meeting with plan actuaries and state agencies as necessary to discuss actuarial assumptions and methods

Project Management Structure

We will manage the three plan audits as one project comprised of three parts.

Jim McPhillips, FSA, EA, FCA, MAAA and Colin England, FSA, EA, FCA, MAAA will be the principal actuaries for this assignment with Jim serving as the overall project manager and point of contact. Jim Ritchie, ASA, EA and Jordan McClane, ASA, EA will be key participants in performing the audits.

We will coordinate all interactions with City personnel to ensure that our project manager and peer review actuary are aware of all issues and each audit lead will be the expert for the assigned plan. Additional staff may provide support during the audit; however, the scope of work requires most of the project to be completed by credentialed actuaries.

We have a flat organizational structure, whereby even the most senior members of the firm are actively engaged in servicing clients. The firm's culture is based on an obsession with serving the needs of our clients without the bureaucracy often found at large national firms. Our success over the last 37 years is based on our relationships with our clients, our technical knowledge, and our work product. Since our inception, Bolton has thrived in our industry and maintained our financial health and solvency.

As an independent firm, we work solely on behalf of our clients and always in their best interest. Bolton's expertise is not limited by plan or employer size—our client base represents a broad spectrum, from small cities to large counties to states. Unlike our larger competitors, we are ideally suited to be more responsive and tailored to each and every client. Our record of service can be demonstrated by our client retention rate. We have not lost a major client in over seven years, except by merger or acquisition.

We are proud of the fact that we have had little professional staff turnover (other than normal retirements) which gives our clients the opportunity to have long-term relationships and continuity in their service with our consultants.

Experience and Qualifications

Our staff, with its combined level of experience and expertise, is unmatched. We have a well-rounded team of professionals that have experience on the vendor side, employer side and the consulting side of the benefits area. More importantly, these are the employees you will meet with and who will perform the actual work on all projects.

Bolton has the experience and qualifications to provide all work described in the scope of services. Specifically, we have extensive experience providing audits, experience studies, and consulting services to large public plans. We believe our focus in these areas of service makes us uniquely qualified to perform the audits requested by the City.

We have performed actuarial audits for several large public plans, including the Maryland State Retirement and Pension System, State of Texas ERS, the City of New York, the United States Coast Guard, and the U.S. State Department (subcontractor for Kearney & Co).

We have also developed expertise in reviewing the work of other actuaries through our litigation support work. We have replicated actuarial valuations done by many of the largest firms in cases such as the Alaska Retirement Management Board v. Marsh McLennan and U.S. v General Motors, identifying issues with the initial valuations and determining the effect of corrections. We have also learned about the potential sources for errors in pension actuarial work, and have used that education to improve our own processes to avoid similar problems with our own work.

TAB 3 – BUSINESS ORGANIZATION

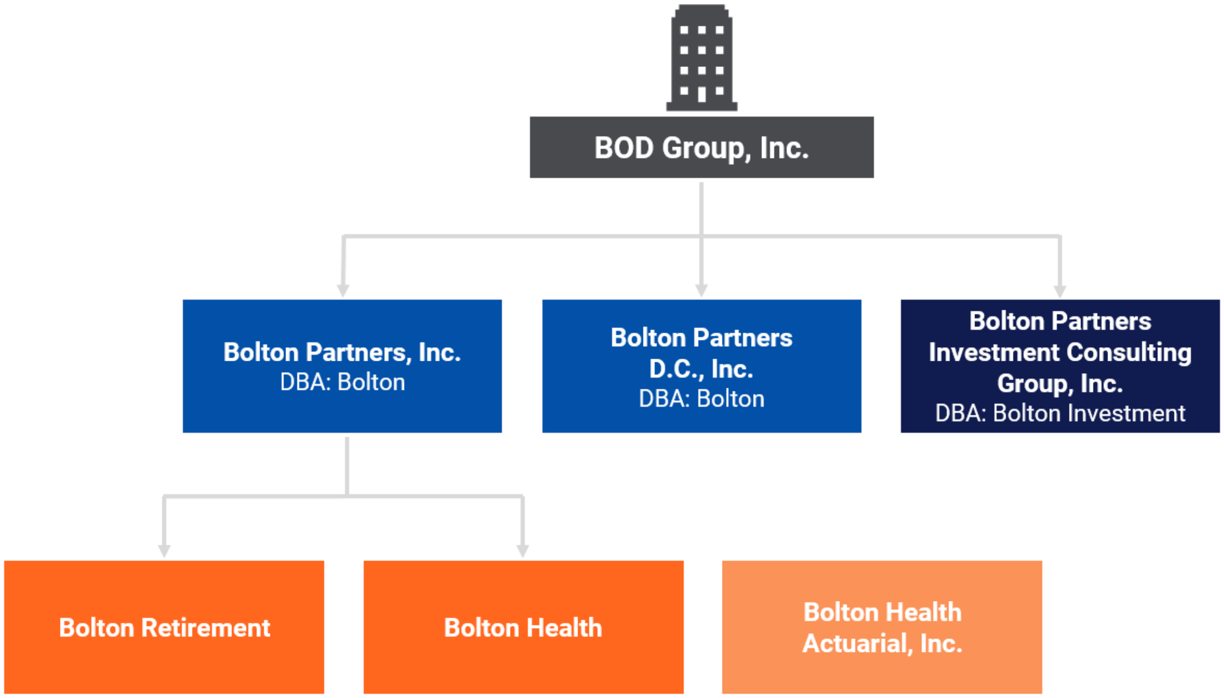
Business Organization: State full name and address of your organization and identify parent company if you are a subsidiary. Specify the branch office or other subordinate element which will perform, or assist in performing, work herein. Indicate whether you operate as a partnership, corporation, or individual. Include the State in which incorporated or licensed to operate.

Bolton Partners, Inc. (doing business as Bolton) is an independent corporation headquartered in Baltimore, MD at the address below:

36 S Charles St.
Suite 1000
Baltimore, MD 21201

We also maintain offices in Washington, D.C.; Mt. Laurel, NJ; Blue Bell (Philadelphia), PA; Atlanta, GA; Denver, CO; and Boca Raton, FL. Work would be performed primarily out of the Baltimore office with additional support being provided as needed by the staff in our Philadelphia office.

Our parent holding company, BOD Group, Inc., and Bolton Health Actuarial, Inc. are 100% employee-owned C corporations. The ownership structure of our firm is depicted below.



<u>Concept and Solution</u>: Define in detail your understanding of the requirement presented in the Scope of Work of this request for proposal and your solution. Provide all details as required in the Scope of Work and any additional information you deem necessary to evaluate your proposal.

Based on our review of the Scope of Work, it appears that the City of Austin is requesting a Level 3 audit per the GFAO guidelines.

A Level 3 audit examines the actuary's methods and assumptions for reasonableness and internal consistency without performing actuarial calculations. For this work, we will ask for the following:

1. Copy of last experience study
2. Copy of valuation reports that will be included in the audit
3. Copy of Board policies related to funding methods and assumptions
4. Copy of full demographic assumptions

After obtaining that information we will perform the following analysis:

- Review of the experience study to determine that the analysis of past experience is accurately reflected and reasonably represents likely future experience in the recommended changes to the actuarial assumptions and methods
- Review of the actuarial reports for compliance with ASOPs 4, 23, 27, 35, 41, and 44 (as in effect as the time the actuarial valuation was prepared) for any areas of possible improvement
- Review and comment on rules in place (if any) on when and how the fixed contribution rate should be revised
- Summarize this information in our audit report, which will:
    - Provide an evaluation of the most recent actuary's valuation results
    - Express an opinion regarding the reasonableness and accuracy of the actuarial assumptions, actuarial methods, funding projections, and general compliance with the Actuarial Standards of Practice
    - Recommend any revisions to the actuarial assumptions or methods, in light of best practices and the Plan's funding approach
    - Recommend any revisions to improve the quality of the actuarial reports, including additional projections or other analysis to better inform the Trustees regarding the risks inherent in the Plan's funding approach

Program: Describe your plan for accomplishing required work. Include such time-related displays, graphs, and charts as necessary to show tasks, sub-tasks, milestones, and decision points related to the Scope of Work and your plan for accomplishment. Specifically indicate:
i. A description of your work program by tasks. Detail the steps you will take in proceeding from Task 1 to the final tasks.
ii. The degree of definition provided in each element of your plan.
iii. The points at which written, deliverable reports will be provided.
iv. A statement of your compliance with all applicable rules and regulations of Federal, State and Local governing entities. The Proposer must state his compliance with terms of this Request for Proposal (RFP).

Description of Work Program

We will perform each audit using the same work plan. The audit will include the following key tasks:

- We will review the plan documents, relevant law, summary plan descriptions and recent actuarial communications to become sufficiently knowledgeable with each plan allowing us to understand how the assumptions and methods are applied as well as their significance to actuarial results.
- We will have an initial meeting with to establish our contacts for communication, gather reports, studies and other actuarial information that we will be auditing, and to confirm assumptions and expectations for the project.
- If the plan actuary is not included in the initial meeting we will communicate with them to confirm our understanding of communications they provided to the City and ask questions based on our initial read of the materials.
- Evaluate whether the methods and assumptions used in determining the plan liability are in accordance with applicable Actuarial Standards of Practice issued by the Actuarial Standards Board, meet Texas state requirements, and are utilized appropriately. The key assumptions are the discount rate and the demographic assumptions. Actuarial methods include the cost method for allocation of liability to past, current and future service and the asset valuation method.
- We will then determine whether the method and assumptions represent best practice, acceptable practice, or are cause for concern. We will meet with plan actuaries and state agencies as necessary to discuss actuarial assumptions and methods.
- We will maintain communication by providing status updates and

Review Reports

Actuarial reports have many users. Optimally, the report could be used by all key stakeholders. The reports should be clear, complete and accurate. There are relevant actuarial standards of practice (ASOPs) that govern the actuarial valuation process and the report itself. We will review the report for compliance with the following:

- ASOP 4 – Measuring Pension Plan Obligations and Determining Pension Plan Costs or Contributions

- ASOP 23 – Data Quality
- ASOP 27 – Selection of Economic Assumptions for Measuring Pension Obligations
- ASOP 35 – Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations
- ASOP 41 – Actuarial Communications
- ASOP 44 – Selection and Use of Asset Valuation Methods for Pension Valuations

Review Assumptions and Methods

As part of our review of the economic assumptions, we will be reviewing the propriety of the long-term rate of return assumption, reflecting the diversification of the asset classes in the trust used to fund the benefits. We generally view a return as being reasonable if it falls within the 35th and 65th percentile of long-term projected returns for the portfolio.

In addition, we expect to review details on the development of the expected rates of return. Depending on complexity we may have this development reviewed by our Investment Consulting Group for reasonableness. Our actuaries will also compare the expected return expectations with those used by other large plans.

If we find any assumptions deviate from the requirements of the ASOPs or GASB standards, we will estimate the effect on the results affected by the deviation. We are very familiar with the process of estimating the impact of changes on actuarial results through our work with many other pension plans. Examples include estimates of the impact on the liability calculations for differences in interest, mortality, and retirement rate assumptions.

We expect to perform any necessary analysis shortly after notifying our City contacts about the deviation and after discussing both the implications of the deviation and our proposed method of estimating the impact.

Communication and Status Reports

We anticipate documenting our work thoroughly as it is performed, as well as summarizing the work in the report we prepare regarding our review and analysis of the topics mentioned above.

We anticipate sending weekly emails regarding progress and issues. When we encounter issues that are significant, we anticipate calling our contacts to discuss the issue and implications shortly after they are discovered.

Compliance

Bolton will comply with all applicable rules and regulations of Federal, State and Local governing entities. We will also comply with all terms of this Request for Proposal (RFP).

Timeline

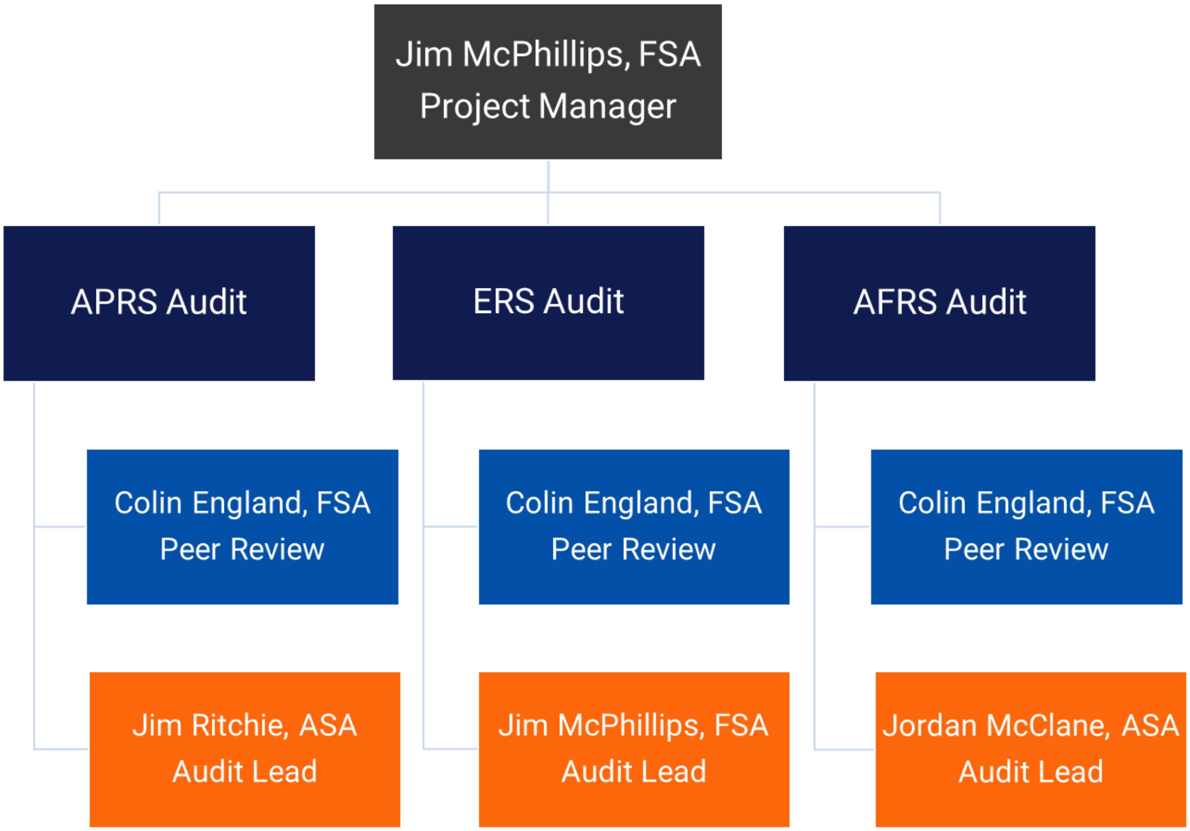
Our suggested timeline is the same for all three plans. To the extent information is available for any plan sooner than others we will continue work on that plan while we wait for additional information on the others. A summary of the work plan timing is below (weekly status updates are not shown):

Task	Responsibility	Timing
Initial meeting	The City/Bolton	Day 1
Information request – copies of reports being audited and supplemental information	Bolton	Week 1
Information delivery	The City	Week 1
Perform preliminary review	Bolton	Weeks 2 – 4
Report on preliminary review – request additional supporting information if needed	Bolton	Week 4
Supporting information received	The City	Week 5
Complete level 3 audit of actuarial reports	Bolton	Weeks 6 – 10
Delivery draft audit report	Bolton	Week 11
Discuss and edit audit report	The City/Bolton	Weeks 12 – 13
Deliver Final Audit report	Bolton	Week 14

TAB 4 - PROJECT MANAGEMENT STRUCTURE

Provide a general explanation and chart which specifies project leadership and reporting responsibilities; and interface the team with City project management and team personnel. If use of subcontractors is proposed, identify their placement in the primary management structure, and provide internal management description for each subcontractor.

We will manage the three plan audits as one project having three parts. Our team structure shown in the following chart will allow us to provide a consistent approach to the audit of all three plans.



Interaction with City personnel will be coordinated so that our project manager and peer review actuary are aware of all issues and each audit lead will be the expert for the assigned plan. We may utilize additional staff at times during the audit however the scope of work requires most of the project to be completed by credentialed actuaries.

We will not be utilizing any subcontractors.

TAB 5 - PRIOR EXPERIENCE

Describe only relevant corporate experience and individual experience for personnel who will be actively engaged in the project. Do not include corporate experience unless personnel assigned to this project actively participated. Do not include experience prior to 2008. Supply the project title, year, and reference name, title, present address, and phone number of principal person for whom prior projects were accomplished.

Corporate Experience

Bolton has the experience and qualifications to provide all work described in the scope of services. We are currently engaged in an actuarial audit and experience study for the City of New York. Additionally, we have recently completed actuarial audits of the Maryland State Retirement and Pension System and the Employees' Retirement System of Texas. We perform annual audits of the actuarial valuations of the State Department's pension plans, which span a wide variety of countries, including the US. Related work includes serving as an expert witness on cases involving pension plan funding and accounting.

Our largest client of any type is the Pension Benefit Guaranty Corporation (PBGC). For the PBGC we perform a wide range of services, including valuations and projections of large plans covering broad sectors of the economy including airlines, energy and steel companies, benefit calculations, termination reviews, and risk mitigation evaluations. We have consistently been rated as PBGC's best actuarial contractor with scores much higher than those of other firms that have done work for the PBGC. As part of our work for PBGC, we frequently review the work of other actuaries that is submitted with various filings to the PBGC. We also assist the Pension Benefit Guaranty Corporation (PBGC) with both its early warning program (which reviews the funding levels of large corporate pension plans, such as GM, GE, IBM, Delta, American Airlines), in preparing valuations of and developing administrative systems to process future benefit calculations for the participants in many large pension plans (such as the United Airlines plans and the 65,000 participants in the Delphi retirement plans), and in the audits of large plan terminations (such as the GM Salaried Plan) by reviewing the calculation of benefits and liabilities for sample participants.

These examples indicate that our firm is trusted to provide quality results in the public and private sectors. More detail about three of our projects is provided below with our references.

The Bolton team excels in its ability to present materials in a way that easily communicates complex actuarial concepts, whether presenting to clients, legislatures or courts, or presenting at educational seminars. We will be available for any formal presentations of our work and will provide the appropriate briefing materials as needed.

Actuarial Audit Experience

Bolton has extensive experience providing audits, experience studies, and consulting services to large public plans. We believe our focus in these areas of service makes us uniquely qualified to perform the audits requested by the City.

We have also developed expertise in reviewing the work of other actuaries through our litigation support work. We have replicated actuarial valuations done by many of the largest firms in cases such as the Alaska Retirement Management Board v. Marsh McLennan and U.S. v General Motors, identifying issues with the initial valuations and determining the effect of corrections. We have also learned about the potential sources for errors in pension actuarial work, and have used that education to improve our own processes to avoid similar problems with our own work.

We have done audits of pension valuations for the following public sector systems:

Maryland State Retirement and Pension System

Project Name: GFOA Level 2 audit followed by full replication for the Department of Legislative Services (2016-current)
Year(s): 2014
Reference Name: Melody Countess
Title: Chief Operating Officer
Phone Number: (410) 625-5650
Email Address: mcountess@sra.state.md.us

Employees Retirement System of Texas (ERS)

Project Name: GFOA Level 2 audit
Year(s): 2016-2017
Reference Name: Tony Chavez
Title: Director, Internal Audits
Phone Number: (512) 867-7443
Email Address: tony.chavez@ers.state.tx.us

Texas State Auditor's Office*

Project Name: GFOA Level 2 audit
Year(s): 2017-2018
Reference Name: Michael Clayton
Title: Audit Manager
Phone Number: (512) 936-9465
Email Address: michael.clayton@sao.texas.gov

*Based on the Texas State Auditor's Office rules, they are prohibited from serving as a reference.

City of New York

Project Name: GFOA Level 1 full replication audit
Year(s): 2017-2019
Reference Name: Rosa Charles
Title: Senior Budget Analyst
Phone Number: (212) 669-2495

Email Address: rcharles@comptroller.nyc.gov

United States Coast Guard

Project Name: GFOA Level 2 audit
Year(s): 2015-2017
Reference Name: Megan Tabak
Title: Senior Budget Analyst
Phone Number: (202) 447-5175
Email Address: megan.tabak@HQ.DHS.gov

U.S. State Department (subcontractor for Kearney & Co)

Project Name: GFOA Level 2 audit
Year(s): 2009 through present
Reference Name: Kelly Gorrell
Title:
Phone Number: (703) 819-0835
Email Address: kgorrell@kearneyco.com

Please see **Appendix A** for a copy of the Reference Sheet provided in the RFP.

TAB 6 - PERSONNEL

Include names and qualifications of all professional personnel who will be assigned to this project. State the primary work assigned to each person and the percentage of time each person will devote to this work. Identify key persons by name and title. Provide a 2 or less page resume of all professional personnel assigned to this contract. Include a copy of the certificate for the Actuaries that are members of the Society of Actuaries or American Academy of Actuaries.

The proposed team to provide services to the City of Austin includes Jim McPhillips, Colin England, Jim Ritchie, and Jordan McClane.

In **Appendix B** we have provided current listings for each team member from the online Actuarial Directory, which confirms their current credentials are maintained and the year in which each was earned. We have provided the available copies of their physical membership certificate documents and can provide the remaining copies upon request.

Name	Role	% of Time to Devote to Project
Jim McPhillips, Senior Consulting Actuary	Overall project manager and lead the ERS audit	Confirmed availability to devote 100% of the time needed for this engagement
Colin England, Senior Consulting Actuary	Peer review audit work and reports for all three plans	Confirmed availability to devote 100% of the time needed for this engagement
Jim Ritchie, Senior Consulting Actuary	Lead the APRS audit	Confirmed availability to devote 100% of the time needed for this engagement
Jordan McClane, Actuary	Lead the AFRS audit	Confirmed availability to devote 100% of the time needed for this engagement

JAMES J. MCPHILLIPS, FSA, EA, MAAA, FCA

Jim McPhillips is a Senior Consulting Actuary in Bolton's Blue Bell, PA office and has over 30 years of experience with single employer, governmental, and non-profit retirement plans. He came to Bolton after serving as a Senior Principal for a firm in Philadelphia where he was the retirement actuarial practice leader.

Jim’s expertise includes:

- Valuation of pension and post-retirement benefits for funding and accounting purposes.
- Consulting with clients on the design and funding of pension and postretirement benefit plans for corporate, governmental and church organizations.

- Analysis of cost and funding implications of alternative benefit designs of pension, post-retirement benefit, profit sharing, and defined contribution plans, including asset/liability modeling with deterministic and stochastic projections.
- Consulting on accounting and disclosure issues regarding post-retirement benefits, qualified and nonqualified pension plans under FASB, GASB, and CAS accounting rules
- Review of Health Care rates for CMS
- Attestation of prescription drug plans under the RDS program and the analysis of EGWP and self-insurance options for retiree medical and prescription drug plan sponsors
- Consulting on ERISA and Internal Revenue Code compliance for single employer pension plans

Specific project experience includes:

- Performing administrative review New York City's five pension plans as part of our audit engagement with the New York City Office of the Comptroller
- Assisting county with 10,000 employees with annual actuarial services and union negotiations by helping their actuarial and benefits consulting team review and understand reports presented by the county retirement plan's actuary.
- Providing litigation support regarding actuarial issues in bankruptcy proceedings of a major auto parts supplier

Jim holds a Bachelor of Science degree in Actuarial Science and Insurance from the Wharton School at the University of Pennsylvania. He is a Fellow of the Society of Actuaries, an Enrolled Actuary under ERISA, a member of the American Academy of Actuaries and a Fellow in the Conference of Consulting Actuaries.

COLIN ENGLAND, FSA, EA, FCA, MAAA, CEBS

Colin England is a senior consulting actuary at Bolton and has more than 37 years of actuarial experience, including work with public sector, private sector and multiemployer retirement and health and welfare plans. He is a Fellow of the Society of Actuaries (1987) an Enrolled Actuary (1988), a Fellow of the Conference of Consulting Actuaries (2008) a Member of the American Academy of Actuaries (2014) and a Certified Employee Benefits Specialist (1990).

Colin, along with Kevin, would be the City's lead actuary.

Examples of the projects Colin has recently worked with clients on include:

- Preparing audits of pension and/or OPEB plans sponsored, managed or audited by the
- Maryland State Retirement and Pension System
- State of Texas Employees Retirement System
- Texas State Auditor's Office
- California State Auditor's Office

- These audits were intended to assure that the valuations comply with state and accounting standards (GASB 67, 68, 74 and 75), as well as actuarial standards of practice, and accurately reflect the plan provisions, methods and assumptions
- Preparing experience studies to review the actuarial assumptions for proximity to the actual experience, including for New York City's five pension plans for the Office of the Comptroller
- Assisting a state pension Board by reviewing the actuarial analysis of their prior actuary and quantifying the effect of errors in their calculations

Education and Professional Development

Colin graduated with a bachelor of arts in mathematics from Western Maryland College (now McDaniel College) in 1980.

Colin has been a frequent speaker at Society of Actuaries and Enrolled Actuaries meetings on various topics related to retirement plans, such as expert witness testimony, mergers, and acquisitions, plan terminations, individual retirement planning, phased retirement, employer retirement strategies, minimum and maximum funding requirements, and discrimination testing.

Colin also developed seminars for the Society of Actuaries. The first was on Expert Witness Testimony. He also developed two merger and acquisition seminars for the Society of Actuaries. He was elected to, and served a three-year term on the Pension Section Council of the Society of Actuaries, ending as the Chair of the Council. He also served on the Retirement Education and Research Committee and served on an actuarial exam committee.

JIM RITCHIE, ASA, EA, MAAA

Jim Ritchie is a senior consulting actuary with Bolton. Jim has over 28 years of actuarial experience in both the private and public sectors. Jim recently joined Bolton. He previously worked for two large actuarial consulting firms. Over the years, Jim has been the lead actuary on a diverse number of clients and plans, including a Federal agency, ERISA single employer plans, church plans, public employer plans, a high-profile sports league, postretirement medical plans, and nonqualified plans. Jim has extensive experience on a variety of special projects including compliance and benefit calculation audits, retiree medical design alternatives, early retirement windows, plan redesign (including cash balance), plan mergers, spin-offs, and plan terminations. He also provides proactive strategic consulting such as pension de-risking opportunities, examining the use of debt to fund pension liabilities, projections, and evaluation of client's funding, financial, benefit and investment policies.

Prior to joining Bolton, Jim worked for Mercer and Aon Hewitt. While at Mercer, Jim worked with two large employer pension and retiree medical programs. Each program had over $1 billion in liabilities. Jim also led an audit review of an $8 billion pension program. While at Aon Hewitt, Jim worked on several complex large accounts including a high-profile sports league, the Department of Energy, which involved the oversight of over 70 contractor pension and retiree medical plans totaling more than $45 billion in liabilities, and a pension program over $1 billion in liabilities. Jim also served as the Local Practice Leader for the retirement practice in Baltimore. Jim was a frequent speaker for continuing education topics internally at Aon as well as for outside industry groups.

He is an Associate in the Society of Actuaries, a member of the Academy of Actuaries, and an enrolled actuary.

Jim has experience with retiree medical plans, including:

- Accounting for Public Sector Plan OPEB Plans Under GASB 45
- Accounting for Private Sector OPEB Plans Under ASC 715-60
- Funding vehicles for retiree medical programs
- Demographic experience studies

Jim has been a speaker at Enrolled Actuaries meeting on a variety of retirement plan topics. Jim has also been frequently quoted by news media including the *Wall Street Journal* and *Plan Sponsor* magazine.

JORDAN MCCLANE, ASA, EA

Jordan McClane, is an actuary with seven years of experience. He joined Bolton in 2017. His role as a member of the Bolton team primarily focuses on public sector pension plans. Jordan has developed models for analyzing sample lives and for projecting the impact on public employer contributions given changes in plan assumptions and provisions. He has also assisted in matching results from prior actuaries and in quantifying the potential effect of proposed legislation on a pension system. Thus far, he has been engaged for projects for New York City, the Pennsylvania State Education Association, the Maryland Department of Legislative Services, and numerous cities and counties in Maryland.

Jordan’s prior employment includes four years of experience as a member of the pension consulting group at Aon Hewitt in Baltimore. At Aon Hewitt, Jordan completed and reviewed numerous pension and OPEB valuations and played a crucial role in streamlining and promoting consistency throughout the valuation process. He also designed and implemented lump sum windows, developed plan termination feasibility studies, and performed pension asset-liability studies for both private and public sector employers. In addition to client-based projects, Jordan participated in leadership conferences and was a key contributor to the training and development of new actuarial students.

Jordan’s prior employment also includes over a year of experience at Towers Watson (now Willis Towers Watson) in New York City. Some of Jordan’s responsibilities at Towers Watson included generating funding and accounting results for pension plans, evaluating liability gain/loss, preparing benefit calculations, and analyzing and programming pension data into valuation software.

Jordan is an Associate of the Society of Actuaries, an Enrolled Actuary, and holds a Bachelor of Science in Actuarial Science from the Smeal College of Business at the Pennsylvania State University.

TAB 7 - COST PROPOSAL

Information described in the following subsections is required from each Proposer. Your method of costing may or may not be used but should be described. A firm fixed price or not- to-exceed Contract is contemplated.

<u>If proposing on multiple retirement systems, include a separate Cost Proposal for each retirement system. The name of the Retirement System shall appear in the header of each page.</u>

Total cost schedule per retirement system.

i. Fees quoted should be inclusive of all expenses, including, but not limited to travel, printing, cost of supplies and materials, etc.
ii. Use the same break down structure and total cost schedule for each of the three Retirement Systems.
iii. Manpower. Itemize to show the following for each category of personnel with separate hourly rates:
(1) manager, senior consultant, analyst, subcontractor, etc.
(2) estimated hours for each category of personnel
(3) rate applied for each category of personnel
(4) total cost
iv. Provide an hourly rate schedule of the firm's personnel for informational purposes should the City need additional services outside of the Scope of Work herein.

We are proposing a fixed fee to perform a limited scope (GFAO Level 3) audit for each of the three plans. If awarded the work for all three plans our fixed fee for the limited scope audit will be $70,000

Additional work will be priced based on our hourly rates.

Staff Level	Billing Rate
Senior Actuary	$450/hr
Actuary	$350/hr
Senior Actuarial Analyst	$260/hr
Actuarial Analyst	$175/hr

Tab 7A - APRS Pricing

We will perform the limited scope audit for a fixed few of $25,000.

The manpower estimates guiding our fixed fee amount are:

Staff Level	Estimated Hours
Senior Actuary	32 hours
Actuary	24 hours
Senior Actuarial Analyst	10 hours

Additional work will be priced based on our hourly rates.

Staff Level	Billing Rate
Senior Actuary	$450/hr
Actuary	$350/hr
Senior Actuarial Analyst	$260/hr
Actuarial Analyst	$175/hr

We will not be utilizing a subcontractor.

Tab 7B - ERS Pricing

We will perform the limited scope audit for a fixed few of $25,000.

The manpower estimates guiding our fixed fee amount are:

Staff Level	Estimated Hours
Senior Actuary	32 hours
Actuary	24 hours
Senior Actuarial Analyst	10 hours

Additional work will be priced based on our hourly rates.

Staff Level	Billing Rate
Senior Actuary	$450/hr
Actuary	$350/hr
Senior Actuarial Analyst	$260/hr
Actuarial Analyst	$175/hr

We will not be utilizing a subcontractor.

Tab 7C - AFRS Pricing

We will perform the limited scope audit for a fixed few of $25,000.

The manpower estimates guiding our fixed fee amount are:

Staff Level	Estimated Hours
Senior actuary	32 hours
Actuary	24 hours
Senior Actuarial Analyst	10 hours

Additional work will be priced based on our hourly rates.

Staff Level	Billing Rate
Senior Actuary	$450/hr
Actuary	$350/hr
Senior Actuarial Analyst	$260/hr
Actuarial Analyst	$175/hr

We will not be utilizing a subcontractor.

TAB 8 - APPENDICES

Appendix A: Reference Sheet
Appendix B: Certificates

APPENDIX A

Reference Sheet

Section 0700: Reference Sheet

Responding Company Name Bolton Partners, Inc.

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers with retirement systems of similar size and complexity to the City of Austin to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name: Maryland State Retirement and Pension System

   Name and Title of Contact: Melody Countess, Chief Operating Officer

   Project Name: GFOA Level 2 audit followed by full replication

   Present Address: 120 E Baltimore St

   City, State, Zip Code: Baltimore, MD 21202

   Telephone Number: (410) 625-5650 Fax Number (410) 468-1710

   Email Address: mcountess@sra.state.md.us

2. Company's Name: Employees Retirement System of Texas (ERS)

   Name and Title of Contact: Tony Chavez, Director, Internal Audits

   Project Name: GFOA Level 2 audit

   Present Address: 200 E 18th St

   City, State, Zip Code: Austin, TX 78701

   Telephone Number: (512) 867-7443 Fax Number (512) 867-7334

   Email Address: tony.chavez@ers.state.tx.us

3. Company's Name: Texas State Auditor's Office*

   Name and Title of Contact: Michael Clayton, Audit Manager

   Project Name: GFOA Level 2 audit

   Present Address: 1501 Congress Ave

   City, State, Zip Code: Austin, TX 78701

   Telephone Number: (512) 936-9465 Fax Number (512) 936-9400

   Email Address: michael.clayton@sao.texas.gov

Based on the Texas State Auditor's Office rules, they are prohibited from serving as a reference.

Section 0700: Reference Sheet

Responding Company Name Bolton Partners, Inc.

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers with retirement systems of similar size and complexity to the City of Austin to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

4. Company's Name New York City Retirement System

   Name and Title of Contact Rosa Charles, Senior Budget Analyst

   Project Name GFOA Level 1 full replication audit

   Present Address 1 Centre Street, Room 848

   City, State, Zip Code New York, NY 10007

   Telephone Number (212)669-2495 Fax Number (_____)________________

   Email Address rcharle@comptroller.nyc.gov

5. Company's Name United States Coast Guard

   Name and Title of Contact Megan Tabak, Senior Budget Analyst

   Project Name GFOA Level 2 audit

   Present Address 2703 Martin Luther King Jr Ave

   City, State, Zip Code Washington, D.C. 20593

   Telephone Number (202) 447-5175 Fax Number (_____)________________

   Email Address megan.tabak@HQ.DHS.gov

6. Company's Name U.S. State Department (subcontractor for Kearney & Co)

   Name and Title of Contact Kelly Gorrell

   Project Name GFOA Level 2 audit

   Present Address 1701 Duke Street Suite 500

   City, State, Zip Code Alexandria, VA

   Telephone Number (703)819-0835 Fax Number (_____)________________

   Email Address kgorrell@kearneyco.com

APPENDIX B

Certificates

Note: We have provided current listings for each team member from the online Actuarial Directory, which confirms their current credentials are maintained and the year in which each was earned. We have provided the available copies of their physical membership certificate documents and can provide the remaining copies upon request.

JAMES J. MCPHILLIPS, FSA, EA, MAAA, FCA

The Actuarial Directory

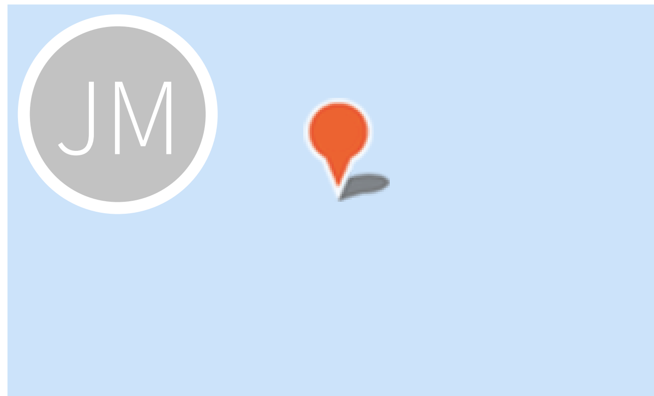
James McPhillips

FSA MAAA EA
Senior Consulting Actuary

Bolton Partners

325 Sentry Parkway
Building 5 West, Suite 200
Blue Bell
Pennsylvania 19422-2358
United States

Email jmcphillips@boltonpartners.com
Tel +1(267)465-7548



Designations

MAAA 1989
EA 1992
FSA 2002

SOA CPD attestation status

Compliant(2016-2017)

Academic degrees

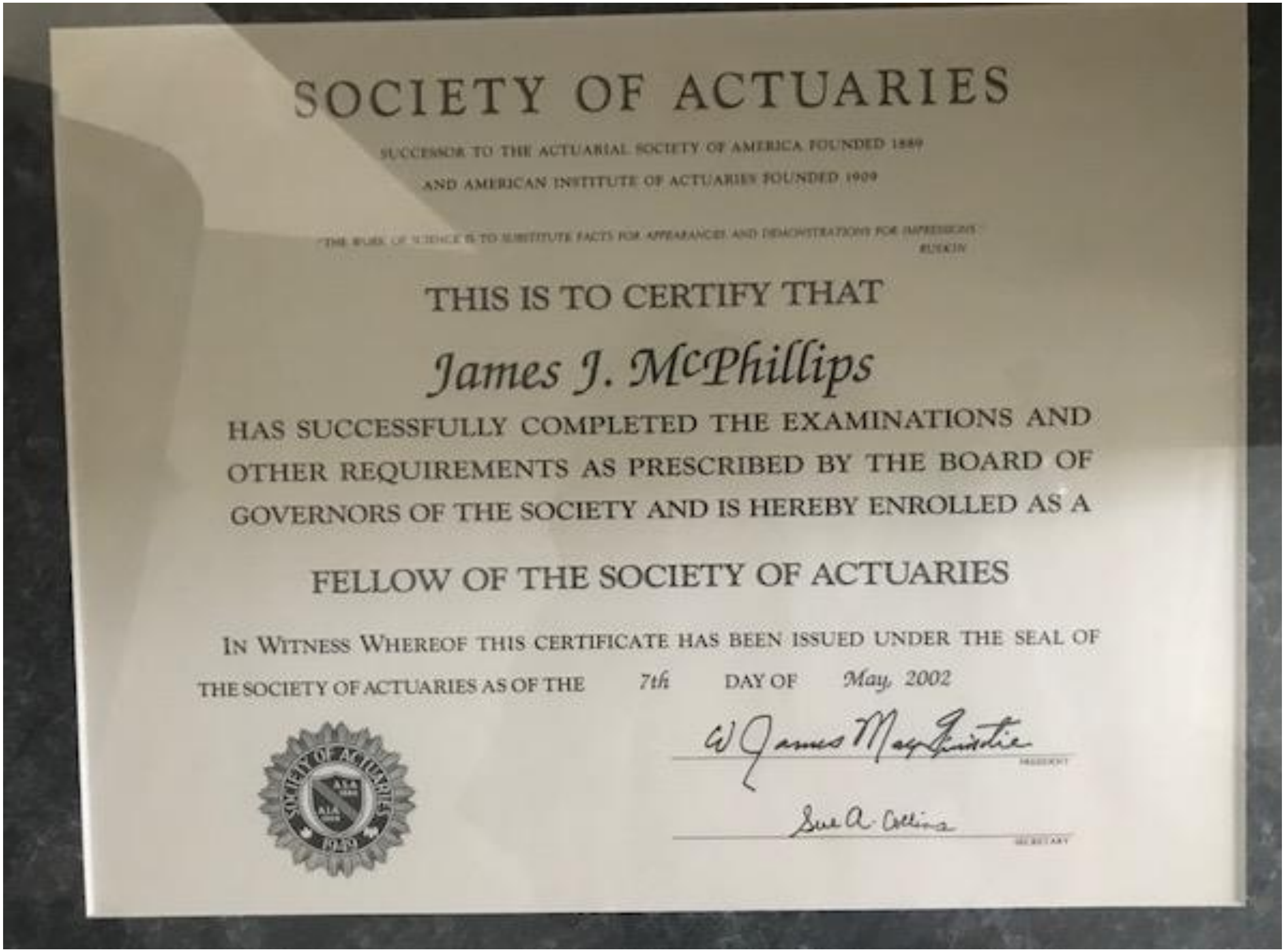
B.S.

Industry

Consulting

Primary area of practice

Retirement



SOCIETY OF ACTUARIES

SUCCESSOR TO THE ACTUARIAL SOCIETY OF AMERICA FOUNDED 1889
AND AMERICAN INSTITUTE OF ACTUARIES FOUNDED 1909

"THE WORK OF SCIENCE IS TO SUBSTITUTE FACTS FOR APPEARANCES AND DEMONSTRATIONS FOR IMPRESSIONS"
RUSKIN

THIS IS TO CERTIFY THAT

James J. McPhillips

HAS SUCCESSFULLY COMPLETED THE EXAMINATIONS AND OTHER REQUIREMENTS AS PRESCRIBED BY THE BOARD OF GOVERNORS OF THE SOCIETY AND IS HEREBY ENROLLED AS A

FELLOW OF THE SOCIETY OF ACTUARIES

IN WITNESS WHEREOF THIS CERTIFICATE HAS BEEN ISSUED UNDER THE SEAL OF THE SOCIETY OF ACTUARIES AS OF THE *7th* DAY OF *May, 2002*

PRESIDENT

SECRETARY

Bolton

JOINT BOARD

for the

ENROLLMENT OF ACTUARIES

Certificate of Enrollment

To All To Whom These Presents Shall Come, Greeting:

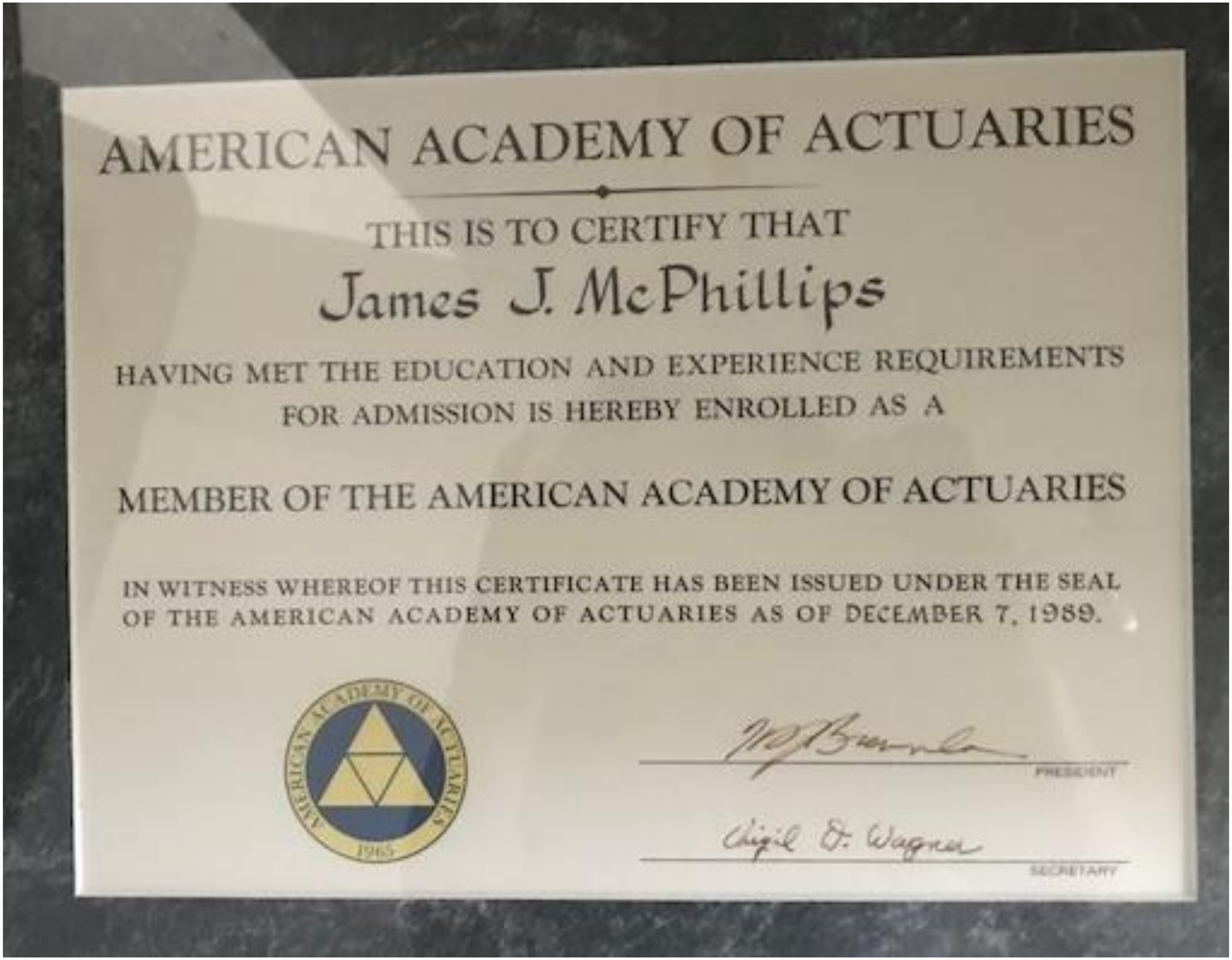
Know Ye, that on the THIRTIETH *day of* APRIL *, 19* 92 *,*
JAMES J. MCPHILLIPS *was enrolled to perform actuarial services under the Employee Retirement Income Security Act of 1974.*

Enrollment No. 4992

Secretary

Chairman

Department of Labor - Department of the Treasury



AMERICAN ACADEMY OF ACTUARIES

THIS IS TO CERTIFY THAT

James J. McPhillips

HAVING MET THE EDUCATION AND EXPERIENCE REQUIREMENTS FOR ADMISSION IS HEREBY ENROLLED AS A

MEMBER OF THE AMERICAN ACADEMY OF ACTUARIES

IN WITNESS WHEREOF THIS CERTIFICATE HAS BEEN ISSUED UNDER THE SEAL OF THE AMERICAN ACADEMY OF ACTUARIES AS OF DECEMBER 7, 1989.

AMERICAN ACADEMY OF ACTUARIES 1965

PRESIDENT

Virgil D. Wagner

SECRETARY

COLIN ENGLAND, FSA, EA, FCA, MAAA, CEBS

The Actuarial Directory

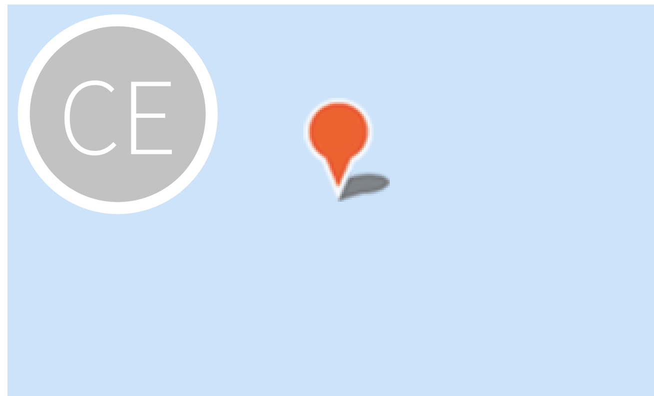
Colin England

FSA EA FCA MAAA
Consulting Actuary

Bolton Partners Inc

36 S Charles St Ste 1000
Baltimore
Maryland 21201-3020
United States

Email cengland@boltonpartners.com
Fax +1(410) 6851924
Tel +1(410)547-0500 EXT 152



Designations

FSA 1987
EA 1988
FCA 2007
MAAA 2014

SOA CPD attestation status

Compliant(2016-2017)

Industry

Consulting

Primary area of practice

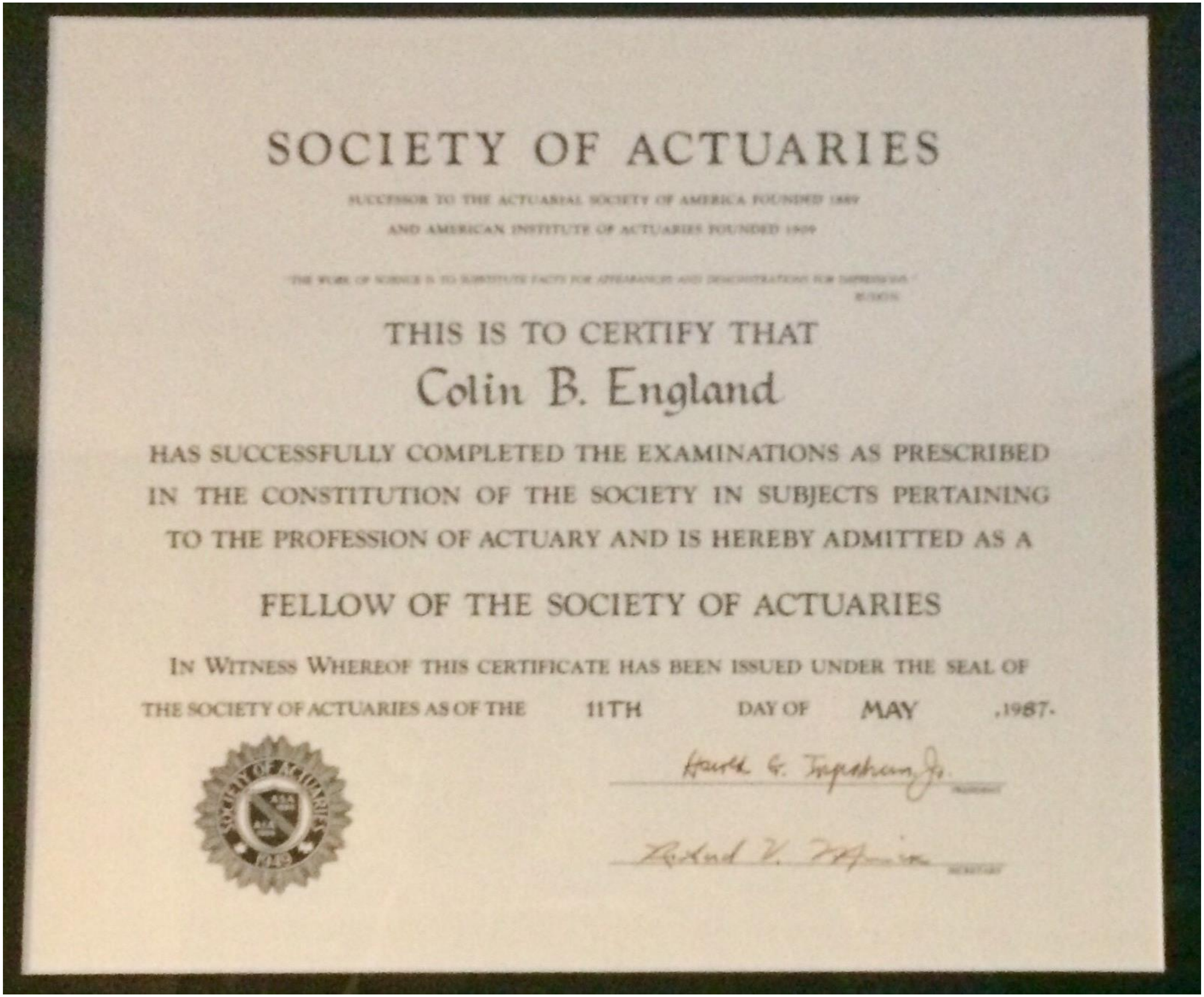
Retirement

Specializations

Employee Health Benefits
Investments

Society of Actuaries Sections

Retirement



SOCIETY OF ACTUARIES

SUCCESSOR TO THE ACTUARIAL SOCIETY OF AMERICA FOUNDED 1889
AND AMERICAN INSTITUTE OF ACTUARIES FOUNDED 1909

"THE WORK OF SCIENCE IS TO SUBSTITUTE FACTS FOR APPEARANCES AND DEMONSTRATIONS FOR IMPRESSIONS."
RUSKIN

THIS IS TO CERTIFY THAT

Colin B. England

HAS SUCCESSFULLY COMPLETED THE EXAMINATIONS AS PRESCRIBED IN THE CONSTITUTION OF THE SOCIETY IN SUBJECTS PERTAINING TO THE PROFESSION OF ACTUARY AND IS HEREBY ADMITTED AS A

FELLOW OF THE SOCIETY OF ACTUARIES

IN WITNESS WHEREOF THIS CERTIFICATE HAS BEEN ISSUED UNDER THE SEAL OF THE SOCIETY OF ACTUARIES AS OF THE 11TH DAY OF MAY ,1987.

SOCIETY OF ACTUARIES 1949

JOINT BOARD

for the

ENROLLMENT OF ACTUARIES

Certificate of Enrollment

To All To Whom These Presents Shall Come, Greeting:

Know Ye, that on the SEVENTH *day of* APRIL, 19 88,

COLIN B. ENGLAND *was enrolled to perform actuarial services under the Employee Retirement Income Security Act of 1974.*

Enrollment No. 4321

Secretary

Chairman

Department of Labor - Department of the Treasury

Bolton

JIM RITCHIE, ASA, EA, MAAA

The Actuarial Directory

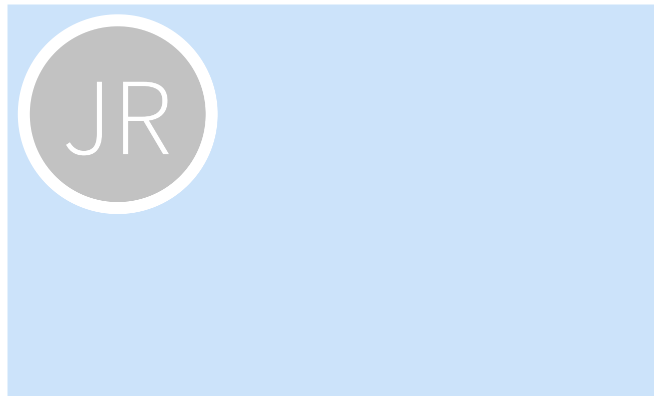
James E Ritchie

ASA MAAA EA
Senior Consulting Actuary

Bolton

36 S Charles St Ste 1000
Baltimore
Maryland 21201-3105
United States

Email	jritchie72@gmail.com
Email	jritchie@boltonusa.com
Tel	+1(410)935-5598



Designations

ASA 1994
MAAA 1995
EA 1996

SOA CPD attestation status

Compliant(2016-2017)

Academic degrees

B.B.A.

Industry

Consulting

Primary area of practice

Retirement

SOCIETY OF ACTUARIES

SUCCESSOR TO THE ACTUARIAL SOCIETY OF AMERICA FOUNDED 1889

AND AMERICAN INSTITUTE OF ACTUARIES FOUNDED 1909

"THE WORK OF SCIENCE IS TO SUBSTITUTE FACTS FOR APPEARANCES AND DEMONSTRATIONS FOR IMPRESSIONS."

RUSKIN

THIS IS TO CERTIFY THAT

James E. Ritchie

HAS SUCCESSFULLY COMPLETED THE EXAMINATIONS AND OTHER REQUIREMENTS AS PRESCRIBED BY THE BOARD OF GOVERNORS OF THE SOCIETY AND IS HEREBY ENROLLED AS AN

ASSOCIATE OF THE SOCIETY OF ACTUARIES

IN WITNESS WHEREOF THIS CERTIFICATE HAS BEEN ISSUED UNDER THE SEAL OF THE SOCIETY OF ACTUARIES AS OF THE 9TH DAY OF NOVEMBER, 1994.

Barnet N. Berin

William Carroll

JOINT BOARD

for the

ENROLLMENT OF ACTUARIES

Certificate of Enrollment

To All To Whom These Presents Shall Come, Greeting:

Know Ye, that on the twenty-fourth *day of* April, 1996, James E. Ritchie *was enrolled to perform actuarial services under the Employee Retirement Income Security Act of 1974.*

Enrollment No. 96-5643

Patricia D. Fonders
Secretary

Chairman

Department of Labor – Department of the Treasury

AMERICAN ACADEMY OF ACTUARIES

This is to certify that

James E. Ritchie

having met the education and experience requirements
for admission is hereby enrolled as a

MEMBER OF THE AMERICAN ACADEMY OF ACTUARIES

in witness whereof this certificate has been issued
under the seal of the
American Academy of Actuaries

February 28, 1995

Charles A. Bryan
PRESIDENT

[illegible]
SECRETARY / TREASURER

JORDAN MCCLANE, ASA, EA

ADDENDUM
PURCHASING OFFICE
CITY OF AUSTIN, TEXAS

Solicitation: RFP 7400CTE3000 **Addendum No: 3** **Date of Addendum: June 28, 2018**

This addendum is to incorporate the following changes to the above referenced solicitation:

I. The due date for this solicitation has been extended. All submittals are due prior to: Tuesday, July 3, 21082:00 PM. Location Municipal Building, 124 W 8th Street, Room 308, Austin Texas 78701

II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY: Cyrenthia Ellis   6/28/2018
Cyrenthia Ellis, Procurement Manager   Date
Purchasing Office, 512-974-1709

ACKNOWLEDGED BY:

Thomas Lowman   1/10/19
Name   Authorized Signature   Date
Vice Pres: Oert

<u>RETURN ONE COPY OF THIS ADDENDUM</u> TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICIATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.

ADDENDUM
PURCHASING OFFICE
CITY OF AUSTIN, TEXAS

Solicitation: RFP 7400CTE3000 **Addendum No: 2** **Date of Addendum: June 22, 2018**

This addendum is to incorporate the following changes to the above referenced solicitation:

I. **Delete Addendum 1 in its entirety**. All pages were not posted with Addendum 1.
II. Attached is the sign-in sheet from the Pre-Proposal Meeting on Friday, June 8, 2018 at 9:30 AM.

III. Questions:

1. (Q) Are you able to provide a list of the actuarial firms precluded from the bidding on this assignment due to the conflict of the interest.

   (A) The actuarial firm responsible for the actuarial valuations, studies, and reports for each respective retirement system for the years being audited (2013-2017) is precluded from the actuarial audit of that respective retirement system. However, the firm may respond to the actuarial audit for a retirement system in which they have not performed any actuarial work for the audited timeframe (2013-2017).

   The actuarial firms employed by each respective retirement system for the years of 2013-2017 are as follows:

   - Austin Police Retirement System – Foster & Foster (2013-2016) & Gabriel, Roeder, Smith & Co. (2017)
   - Austin Firefighters Relief and Retirement System – Foster & Foster (2013-2017)
   - City of Austin's Employee Retirement System – Gabriel, Roeder, Smith & Co (2013-2017)

2. (Q) Please provide the copies of the actuarial valuations, studies and reports from 2013 through 2017 subject to this RFP

   (A) This information will be provided to the successful offeror after contract execution.

3. (Q) Does the City conduct separate actuarial valuations for accounting requirements (GASB 67 and 68) and for pension funding requirements (to calculate actuarially determined contributions)? If so, does the audit solicitation cover both types of reports for all three systems?

   (A) The City's three pension systems currently conduct separate actuarial valuations for accounting requirements and for pension funding requirements. The audit solicitation covers the valuations associated with pension funding for the 5 year period notated in the scope. The City reserves the right to request an audit of the valuation(s) for financial reporting purposes.

4. (Q) Please confirm that the audit does not include a) complete replication/parallel valuation of the actuarial valuations subject to this audit, and b) collecting, running and validating sample test cases?

   (A) Please see Section - 0500 Scope of Work, Section D, Page 2 of 2, for the audit report requirements deliverables. This is a limited scope audit. Review of prior audit reports provided in question 5 may provide additional clarification.

5. (Q) When was the last time the City conducted a similar audit?

   (A) The last audit occurred in 2014.

6. (Q) Who was the last auditor(s) and are they allowed to respond on this project again?

   (A) There were two auditors that performed the audits for the three pension system (The Segal Company performed the ERS audit and Gabriel Roeder Smith & Company performed the APRS and AFRS audits). Please see response to question 1 on firms eligible to respond to this solicitation

7. Q) What was the fee (s) paid to the last auditor? Can you provide copies of the last available actuarial audit report for each system?

   (A) Please see attachments for item# 73: http://www.austintexas.gov/department/city-council/2014/20140925-reg.htm#073

8. (Q) Please reference Proposal preparation instructions for Tab 5. Will you confirm that only actuaries included in the proposed team are required to disclose their relevant experience? Can they include the experience gained through the prior firm (but not later than 2008) as well?

   (A) Only actuaries on the proposed team should provide relevant corporate experience. Experience provided can be inclusive of all previous and current engagements.

9. (Q) Referencing Item 10 Evaluation Factors and Awards section, Section B Evaluation Factors, will the assigned points be gradually assigned to each offeror (for example, the firm with the best "Concept and Solutions Proposed" will receive 25 points, the second best firm will receive 20 and so on? Or will the "best firm" receive all 25 points for this section and all other offerors receive zero?

   (A) Each offeror will be scored separately based on their responses, except for the total evaluated cost pricing component (Line 5). The Cost pricing component will be compared to all offerors for each retirement system. The offeror with the lowest price will receive the maximum points allowed. All other offerors will receive a percentage ratio of the maximum points allowed compared to the lowest price.

IV. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY: Cyrenthia Ellis 6/22/2018

Cyrenthia Ellis, Procurement Manager
Purchasing Office, 512-974-1709

Date

ACKNOWLEDGED BY:

James McPhillips	James J McPhillips	June 27, 2018
Name	Authorized Signature	Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICIATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.

ADDENDUM
PURCHASING OFFICE
CITY OF AUSTIN, TEXAS

Solicitation: RFP 7400CTE3000 **Addendum No: 1** **Date of Addendum: June 21, 2018**

This addendum is to incorporate the following changes to the above referenced solicitation:

I. Attached is the sign-in sheet from the Pre-Proposal Meeting on Friday, June 8, 2018 at 9:30 AM.

II. Questions:

1. (Q) Are you able to provide a list of the actuarial firms precluded from the bidding on this assignment due to the conflict of the interest.

   (A) The actuarial firm responsible for the actuarial valuations, studies, and reports for each respective retirement system for the years being audited (2013-2017) is precluded from the actuarial audit of that respective retirement system. However, the firm may respond to the actuarial audit for a retirement system in which they have not performed any actuarial work for the audited timeframe (2013-2017).

   The actuarial firms employed by each respective retirement system for the years of 2013-2017 are as follows:

   - Austin Police Retirement System – Foster & Foster (2013-2016) & Gabriel, Roeder, Smith & Co. (2017)
   - Austin Firefighters Relief and Retirement System – Foster & Foster (2013-2017)
   - City of Austin's Employee Retirement System – Gabriel, Roeder, Smith & Co (2013-2017)

2. (Q) Please provide the copies of the actuarial valuations, studies and reports from 2013 through 2017 subject to this RFP

   (A) This information will be provided to the successful offeror after contract execution.

3. (Q) Does the City conduct separate actuarial valuations for accounting requirements (GASB 67 and 68) and for pension funding requirements (to calculate actuarially determined contributions)? If so, does the audit solicitation cover both types of reports for all three systems?

   (A) The City's three pension systems currently conduct separate actuarial valuations for accounting requirements and for pension funding requirements. The audit solicitation covers the valuations associated with pension funding for the 5 year period notated in the scope. The City reserves the right to request an audit of the valuation(s) for financial reporting purposes.

4. (Q) Please confirm that the audit does not include a) complete replication/parallel valuation of the actuarial valuations subject to this audit, and b) collecting, running and validating sample test cases?

   (A) Please see Section - 0500 Scope of Work, Section D, Page 2 of 2, for the audit report requirements deliverables. This is a limited scope audit. Review of prior audit reports provided in question 5 may provide additional clarification.

5. (Q) When was the last time the City conducted a similar audit?

   (A) The last audit occurred in 2014.

City of Austin SMBR Small & Minority Business Resources *Opening the door to opportunities*

GOAL DETERMINATION REQUEST FORM

Buyer Name/Phone	Cyrethia Ellis/512-974-1709	**PM Name/Phone**	Belinda Weaver
Sponsor/User Dept.	Financial Service/Treasury	**Sponsor Name/Phone**	512-974-7885
Solicitation No	CTE3000	**Project Name**	AUDIT OF ACTUARIAL VALUATIONS, STUDIES AND REPORTS
Contract Amount	60,0000	**Ad Date (if applicable)**	June 4, 2018

Procurement Type

- ☐ AD – CSP
- ☐ AD – Design Build Op Maint
- ☐ IFB – IDIQ
- ☒ Nonprofessional Services
- ☐ Critical Business Need
- ☐ Sole Source*
- ☐ AD – CM@R
- ☐ AD – JOC
- ☐ PS – Project Specific
- ☐ Commodities/Goods
- ☐ Interlocal Agreement
- ☐ AD – Design Build
- ☐ IFB – Construction
- ☐ PS – Rotation List
- ☐ Cooperative Agreement
- ☐ Ratification

Provide Project Description**

Audit of Actuarial Valuations, Studies and Reports for the Austin Police Retirement System (APRS), the City of Austin Employee's Retirement System (ERS) and the Austin Fire Fighters Relief & Retirement Fund (AFRS).

Project History: Was a solicitation previously issued; if so were goals established? Were subcontractors/subconsultants utilized? Include prior Solicitation No.

No

List the scopes of work (commodity codes) for this project. ***(Attach commodity breakdown by percentage; eCAPRIS printout acceptable)***

91804 - 50% ; 94612 - 50%.

Cyrenthia Ellis	5/16/2018
Buyer Confirmation	**Date**

** Sole Source must include Certificate of Exemption*
***Project Description not required for Sole Source*

FOR SMBR USE ONLY

Date Received	5/16/2018	**Date Assigned to BDC**	5/16/2018

In accordance with Chapter2-9(A-D)-19 of the Austin City Code, SMBR makes the following determination:

☐ Goals	% MBE	% WBE
☐ Subgoals	% African American	% Hispanic
	% Asian/Native American	% WBE

City of Austin
SMBR
Small & Minority Business Resources
Opening the door to opportunities

GOAL DETERMINATION REQUEST FORM

☐ Exempt from MBE/WBE Procurement Program	☒ No Goals

City of Austin SMBR Small & Minority Business Resources *Opening the door to opportunities*

GOAL DETERMINATION REQUEST FORM

This determination is based upon the following:	
☐ Insufficient availability of M/WBEs	☐ No availability of M/WBEs
☒ Insufficient subcontracting opportunities	☐ No subcontracting opportunities
☐ Sufficient availability of M/WBEs	☐ Sufficient subcontracting opportunities
☐ Sole Source	☐ Other

If Other was selected, provide reasoning:

MBE/WBE/DBE Availability
There are 23 M/WBE firms available
Subcontracting Opportunities Identified
Insufficient subcontracting opportunities identified.

Rachelle Delouis	
SMBR Staff	**Signature/ Date**
	5/16/18
SMBR Director or Designee	**Date** 5-16-18
Returned to/ Date:	