

GASB 45 RFP

Request for Proposal

Actuarial Services
For

Governmental Accounting Standards Board Statement No. 45

1. INTRODUCTION

Purpose

It is the intent of the County of Herkimer to secure the services of a qualified firm to provide Actuarial Services for Other Post-Employment Benefits (OPEB) in order to comply with the Governmental Accounting Standards Board (GASB) Statement No. 45 that establishes standards for the measurement, display, and recognition of OPEB expenses and liabilities.

The County of Herkimer currently has approximately 210 individuals that receive some form of county sponsored health insurance in retirement. The county offers 3 health insurance options for retirees under 65 years of age and moves all retirees to a Medicare Supplemental Policy once the retiree reaches 65 years of age. The county has four separate groups of employees of which three groups are governed under collective bargaining agreements and one group is non-union. Each of these groups have some form of a tiered system for determining retirees' health insurance benefits. At the current time the County of Herkimer is self-insured for health insurance.

Scope of Services

Services to be provided by the Actuarial Firm related to GASB 45 shall include, but not be limited to:

- A. The issuance of a Public Statement of Actuarial Opinion (PSAO) in accordance with the Qualification Standards of the American Academy of Actuaries.
- B. Providing all services in accordance with the Actuarial Standards of Practice, the Actuarial Code of Professional Conduct, and the Governmental Accounting Standards Board Statement No. 45.
- C. Specific elements to be provided in the GASB 45 analysis shall comply with minimum standards information requirements as described in Statement 45.

Proposals meeting the following minimum qualifications will be considered for award:

- A. Qualified actuarial staff to perform the Scope of Services requested herein.
- B. Demonstrated experience working with GASB Statement No. 45
- C. Previous experience working with public entities.

SUBMISSION OF PROPOSALS

All submissions, declinations, and questions should be directed in writing to:

Steven R. Billings, Personnel Officer
Herkimer County Personnel Office
109 Mary St., Suite 1304
Herkimer, NY 13350
Telephone: (315) 867-1115
E-Mail: sbillings@herkimercounty.org

All proposals are due **by February 5, 2010**. Please submit one (1) original and two (2) copies. All questions regarding the RFP must be submitted by January 22, 2010; questions will be answered cumulatively, where appropriate.

RFP Timetable (subject to change)

RFP and exhibits distributed	January 11, 2010
Deadline for questions about RFP	January 22, 2010
Proposals due	February 5, 2010
Finalists presented to Committee	February 12, 2010
Finalist meeting conducted (if required)	February 26, 2010
Provider recommended to full board	March 10, 2010
Provider selected	March 10, 2010

2. QUESTIONNAIRE

A. Firm Qualifications

1. List the name, address, contact name, and contact information for your firm
2. Provide a condensed version of the history of your firm
3. Provide a general description of your business, including number of employees, number of credentialed actuaries, primary business and other services offered.
4. Describe your firm's experience in performing GASB 45 valuations and your firm's experience working with public entity clients.
5. Identify the professional staff assigned to this project.
6. Please include a governmental client reference for which actuarial work similar to this request has been performed, including contact names and telephone numbers, and types of services your firm has provided.

B. Actuarial Capabilities

1. Indicate whether your firm is qualified to issue a Public Statement of Actuarial Opinion (PSAO) in accordance with the Qualification of the American Academy of Actuaries (AAA) and to undertake this project according to Precept 2 of the Code of Professional Conduct of the AAA, and describe your peer review process.
2. Indicated how many GASB 45 valuations your firm has performed.

3. Describe how the firm will work with Herkimer County staff and auditors to determine the proper actuarial cost method, actuarial asset valuation method, amortization method and key assumptions for the valuation based on applicable accounting and actuarial standards.
4. Describe how the firm will work with Herkimer County to determine the proper funding strategy.
5. Indicate if any services must be provided by third parties in order to meet the requirements of the RFP.

C. Work Plan

1. Describe your work plan for this project
2. Provide a timetable for this project
3. Include a sample valuation report

D. Fees

This contract will be for one year. The price quoted shall include bidder's cost in full for all transportation, labor, materials and equipment used in performing the services herein. These prices shall be considered firm from date of award through the end of the contract term.

1. State your proposed fee for providing the actuarial services required by this RFP for the term of this contract
2. Does your price quote represent a discount from your standard pricing? If so, by how much and why?

3. ADDITIONAL INFORMATION

1. The Committee will not be obligated to return any materials submitted in response to this RFP.
2. The Committee retains the full right to analyze and consider the proposal materials for its purposes without compensation to or approval of the proposer.
3. This RFP may or may not result in an award of a contract. The Committee reserves the right to cancel this RFP at any time, and for any reason, and to reject any or all bids.
4. Receipt of these proposal materials from the Committee or submission of a proposal to the Committee confers no rights upon the vendor nor obligates the Committee in any manner.
5. The Committee reserves the right to negotiate with any, all, or none of the parties responding to this RFP.
6. The Committee is relying upon the vendor's expertise to answer all questions in this RFP document.
7. This RFP should not be considered as an offer. It constitutes only an invitation to negotiate.

8. The committee reserves the right to accept any portion or all of any proposal.

4. INSURANCE REQUIREMENTS

The proposer receiving the award will provide Certificates of Insurance to Herkimer County to verify coverage in relationship to these services/.

1. Workers' Compensation
2. Commercial Liability
3. Professional Liability