

REQUEST FOR PROPOSALS FOR ACTUARIAL SERVICES - RFP-RH-24-056
PROPOSALS TABULATION

RFP-RH-24-056 Actuarial Services Bid Opening: Tuesday, October 22, 2024 @ 3:00 PM	Foster & Foster Inc. 2310 East Eleven Mile Rd Royal Oak, MI 48067	Gabriel, Roeder, Smith & Co One Towne Square, Suite 800 Southfield, MI 48076	Lauterbach & Amen, LLP 668 N River Rd Naperville, IL 60563
How long has your company been in business?	45 years	85 years, GRS has provided retiree health valuations for nearly 40 years.	27 years
Describe your organization's experience with other post-employment benefit actuarial services?	Firm considers themselves experts in all phases of providing actuarial services to public retirement and other post-employment benefit programs. They have over 45 years of experience, and are proud to work with nearly 1,900 governmental entities (including over 1,000 OPEB plans) across the country.	<ul style="list-style-type: none"> • GRS has provided retiree health valuations since well before GASB Statements No. 43 and No. 45 were approved in 2004. Their public sector experience, combined with the expertise in retiree health care, has allowed them to retain over 600 OPEB clients. GRS has a great depth of experience with the public sector. • For state (including state retirement systems) and large local clients (such as counties and large metropolitan cities), GRS typically provides valuation analysis, plan design, experience studies, and projections. • For small local clients (such as public authorities, townships, and small cities) usually require a GASB 45 valuation for accounting purposes. Since 2000, GRS has provided technical assistance and advice to the GASB in regards to its initial OPEB project. GRS provided information and resources to GASB while the GASB's Task Force was developing the GASB Statements No. 43 and No. 45. When GASB Statements No. 74 and No. 75 were proposed, they provided similar support. 	Lauterbach & Amen (L&A) services over 350 Retiree Healthcare Accounts. They have exceeded 200 employees and expanded services into 12 states. L&A provides valuable services to the government sector, which is evident through their growth in clients, revenue, staff and service offerings. They have a strong reputation in funding strategies and GASB accounting.
Is your organization a subsidiary, parent or affiliate of any other company?	No	Yes - In 2015, the company formed a health & welfare consulting subsidiary, Gabriel, Roeder, Smith & Company Health and Welfare Consulting, LLC from its existing health and welfare practice.	No
Number of full-time and part-time employees?	113 full-time / no part-time	125 total (no breakdown provided)	189 full-time / 12 part-time
Location of office nearest to Rochester Hills?	Royal Oak	HQ located in Southfield, MI	668 N River Road, Naperville, IL 60563
How many municipal clients do you have?	Firm supports nearly 1,900 public plans across the country. The number of Michigan clients is 17.	GRS has over 200 municipal clients nationwide.	L&A services over 350 Retiree Healthcare Accounts. Currently servicing 2 Michigan clients - City of Rochester Hills and Traverse City Light & Power. Full Client List provided in Appendix section.
How many municipal clients have you gained in the last 3 years?	Over last three years, the firm has gained close to 800 clients.	Because GRS has hundreds of public sector clients, to which they may sell multiple services, it is difficult to identify client gains and losses. For example, if a client is lost in one service area, they may continue to provide other services to that client. In the last three years, it has been observed that GRS obtained 5 clients within the State of Michigan and 40 governmental clients in other states.	L&A gained 31 OPEB municipal clients in the past 3 years, in 4 different states.
How many municipal clients have you lost in the last 3 years?	The firm had lost 9 clients over the last three years.	Within the last three years, the Southfield office lost one municipal client within the State of Michigan and one governmental client in New Hampshire during the RFP process.	L&A lost 7 municipal clients due to recurring single audit conflicts, pension plans switching to cash basis, or lost during open bid process.
ADMINISTRATION			
How many administrative and actuarial personnel do you employ?	115 consultants (including 35 credentialed actuaries), 9 admin professionals, and a group of consultants in the process of obtaining actuarial credentials.	Consultants - 54 Analysts - 37 IT Support & Technology Services - 10 Corporate & Administrative Support - 24	Credentialed Actuaries - 5 Actuarial Consultants - 3 Actuarial Analysts - 4 Administrative Manager - 1 10 support staff Clients are distributed through the Principal Actuarial Consultants and Actuarial Client Managers.
Provide names, titles and credentials of the individuals that would be assigned to the City's account if your firm is selected.	Jason Franken - Principal - FSA/EA/MAAA Colleen Atchison - Senior Consultant - FSA/MAAA Michelle Pearson - Junior Actuary - ASA Pete McCloud - Senior Consultant - FSA/EA/MAAA Monica Heath - Actuarial Analyst	Casey Ahlbrandt-Rains, ASA/FCA/MAAA - Lead Actuary Laura Frankowiak, ASA/FCA/MAAA - Second Actuary Derek Henning, ASA/EA/FCA/MAAA - Peer Review Actuary Kurt Dossou, ASA/FCA/MAAA - Health Care Actuary	David Murciano, ASA/EA/MAAA/FCA - Primary Actuarial Consultant Daniella Ciolino - Primary Client Manager Megan Spitzer, ASA - City's Actuarial Analyst Todd Schroeder, ASA/EA/MAAA/FCA - Peer Reviewer as Partner in charge of Actuarial Team
REPORTS			

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<p>What experience do you have in the valuation of post employment health care benefits?</p>	<p>As previously stated, firm supports nearly 1,900 public plans across the country. The actuaries assigned to service the City have over 90 years combined experience. Firm considered to be experts in all phases - design, implementation and administration.</p>	<ul style="list-style-type: none"> • GRS has provided retiree health valuations since well before GASB Statements No. 43 and No. 45 were approved in 2004. Their public sector experience, combined with the expertise in retiree health care, has allowed them to retain over 600 OPEB clients. GRS has a great depth of experience with the public sector. • For state (including state retirement systems) and large local clients (such as counties and large metropolitan cities), GRS typically provides valuation analysis, plan design, experience studies, and projections. • For small local clients (such as public authorities, townships, and small cities) usually require a GASB 45 valuation for accounting purposes. Since 2000, GRS has provided technical assistance and advice to the GASB in regards to its initial OPEB project. GRS provided information and resources to GASB while the GASB's Task Force was developing the GASB Statements No. 43 and No. 45. When GASB Statements No. 74 and No. 75 were proposed, they provided similar support. 	<p>L&A has experience in serving over 350 Retiree Healthcare Accounts with other postemployment health care benefits. The firm tries to stay up to date with any significant changes to actuarial standards, and have a committee dedicated to educating clients on what the changes will mean.</p>
<p>Approx. how many OPEB actuarial reports does your firm issue annually?</p>	<p>Approximately 1,000 OPEB actuarial reports annually.</p>	<p>GRS provides services to more public sector clients than any other firm in the country, issuing hundreds of OPEB reports annually.</p>	<p>Approximately 350 OPEB Actuarial Reports annually.</p>
<p>Why types of reports do you typically generate for municipal clients?</p>	<p>Includes but is not limited to OPEB valuations, GASB 74/75 disclosures, PA 202 reporting (for Michigan plans) and pension valuations and GASB 67/68 disclosures. Firm also completes experience studies, economic assumption studies, impact statements, individual calculations, actuarial reviews, audits and projections on an annual basis.</p>	<ul style="list-style-type: none"> • Annual Actuarial Valuations • Supplemental Actuarial Valuations (to determine the impact of benefit and/or assumption changes) • GASB/Financing Reporting Reports • Experience Studies/Assumption Reviews • Actuarial Reviews and Actuarial Audits 	<p>GASB 74/75 valuations, GASB 67/68 valuations, and Funding Reports.</p>
<p>Do you use computer modeling and simulation?</p>	<p>Firm developed an Excel-based pension funding model system that allows the user to see the effect that various changes (i.e., experience, plan amendments, assumptions, and funding policies) have on the long-term financial status of a plan. This model also includes projections.</p>	<p>Yes. GRS can produce simulations of the Plan's costs under various scenarios using an actuarial valuation system and/or the actuarial valuation and projection system which GRS developed.</p>	<p>L&A utilizes ProVal for their firm, which lets them customize the programming specific to each benefit plan provisions. It allows scenario planning, analyses to various assumption changes, multi-year cash funding projections, and transition plans into alternative funding policies.</p>
<p>Do you have software that is specifically tailored to municipal OPEB applications?</p>	<p>Firm uses ProVal, a very robust pension actuarial valuation system. It was developed and is maintained by WinTech. With legal and regulatory changes, the system will stay updated. The program runs valuations and forecasts, while also gain/loss analytics, experience studies, and asset/liability modeling.</p>	<ul style="list-style-type: none"> • GRS has an internal software development team, Software Services, that is dedicated to providing GRS associates with the tools necessary to meet clients' needs. • PensionSoft - as a defined benefit administration tool for use with GRS-defined benefit administration clients. • GRS uses an internal valuation system called ValCore™. The user interface to the system, ValPlex™, is built to enhance the user experience within ValCore™ and other GRS valuation systems. • Data Analysis Utility (DAU) assists employees with client data interrogation, data reconciliation, and schedule generation. • GRS Foresight™ performs stress testing that takes into consideration each client's unique situation. • GRS Advantage™ is a client services website that provides access to client software, research, publications, and training resources. 	<p>L&A utilizes ProVal, which has components specifically designed for the public sector, including capabilities for providing the pension plan's regular funding calculations, required GASB 67/68 and GASB 74/75 projections and disclosures, as well as capabilities for providing Other Post-Employment Benefit (OPEB) calculations for Retiree Healthcare Plans. Additionally, PensionSoft software is also utilized for benefit processing, pension portals, and data storage.</p>

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<p>Please describe your record retention policy and system backup process.</p>	<p>All client data is stored for 6 years per HIPAA retention requirements, or longer if required by applicable federal and/or state law. All client data is encrypted and stored within their file server within the Microsoft Cloud Azure environment and is backed up by a snapshot hourly. Only employees have access to these files, and if there are files no longer in use, they will be stored in an inactive folder, zipped and only accessible through the IT department. When data is transmitted, Citrix ShareFile is used, and is encrypted as well.</p>	<p>Records (hard copy or digital files) are maintained at a GRS approved storage area. Current and former client records are maintained for 7 years. Data files for terminated clients are destroyed immediately following the date of termination or immediately following the terms of the transition letter. Benefit statements are maintained for 2 years. Destruction dates are subject to legal requirements (e.g., subpoenas, court orders, etc.) and negotiated client contractual requirements. GRS uses backup software to perform disk-to-disk and disk-to-disk-to-tape backups, for all data and for complete servers, on a daily, weekly, monthly, and sometimes hourly basis. Multiple forms of recovery are available and the method most appropriate to a particular need is selected.</p>	<p>L&A adheres to the Internal Revenue Services recommended practice for records retention, with the most recent seven years of files maintained. L&A's electronic files are backed up twice daily and then again at the close of business each day. Weekly and monthly backups are also performed and maintained offsite.</p>
<p>Do you provide educational information to your clients?</p>	<p>Firm encourages education of public plan trustees and staff. Their consultants speak at dozens of conferences each year. They want their trustees to be educated so that in turn they make smart decisions to manage public plans effectively. Firm also provides workshops for different Boards. There is an internal senior compliance counsel in place to monitor regulations, requirements and changes to the laws in multiple states. They work with the consultants to update plans per industry changes. An attorney also reviews all changes in forms and literature for compliance. As a direct resource to clients, they have a senior compliance counsel to provide guidance and answer compliance-related questions.</p>	<p>GRS provides education and training programs through webinars and on-site sessions. The method, location, and time are based on the clients' needs. Training can be customized by opting for an entire category of sessions or specific sessions from different categories. GRS does not provide tax or legal advice to plan participants.</p>	<p>L&A believes that having a close working relationship with management year-round is the best way to provide clients with the best depth of knowledge. L&A does not perform legal services, but has the ability to perform almost any other service that the City would potentially need or request. In addition to actuarial staff, L&A is a Certified Public Accounting Firm specializing in the government sector, with an exceptional team of tax experts available.</p>
<p>What types of services does your firm provide?</p>	<ul style="list-style-type: none"> • Experience studies, economic assumption studies - allows firm to be better educated on the market and to capture trends to make adjustments to plans as needed. • Actuarial reviews, audits and projections - Following GFOA (Government Finance Officers Association) guidelines, full-scope audits are performed. The audits also include a compliance review to ensure that all work is in line with legal requirements. • Pharmacy Benefits Review - helps clients review prescription drugs provided by their medical plans. Has shown to be beneficial in helping clients control costs and lower the GASB 75 liability of their retiree health plan. 	<p><u>Pension and OPEB Plans</u> Actuarial - Valuations and Audits Risk Management - Funding Policy, Experience Studies and Asset/Liability Studies Legislative and Regulatory - Cost Impact Studies, GASB Standards Consulting, Research and Surveys Best Practice Benefit Design - Defined Benefit, DB/DC Hybrid, Cash Balance, Adjustable Pension Plan, Benefit Adequacy Studies, Benefit Policy Development Client Software - GRS Foresight, GRS Snapshot, GRS Trendline, GRS Advantage, Exclusion Ratio Calculator, 415 Screening Tool <u>Defined Benefit Plan Administration</u> Core Services - Benefit Calculations, Data Housing, Call Center, Communications Client Software - Plan Sponsor Portal, Participant Benefit Estimator</p>	<p>L&A can complete many specialized projections and sensitivity exhibits, help create formal funding policies, MCRs, True Cost calculations, Assumption Studies, Outside the Cap calculations, Present Value of Benefit calculations, Transition Plans, Normal Cost calculations and more. L&A can perform an experience study every 3 to 5 years. Doing so will provide clients with more credible historical plan data and allow clients to develop actuarial assumptions unique and relevant to active and retired member population.</p>

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Describe both the features and benefits of your reports and system.	Foster & Foster uses ProVal, which is a single system which can prepare data, develop liabilities, and create projections. It allows easy review and audit of all work done. System also provides for easy comparisons of benefits, assumptions, and valuations to quickly isolate any changes that are made. They start with a model report, and customize is to meet specific needs and requirements.	Reports will develop and show plan costs, and the recommended contributions to fund for those costs. The pension and OPEB valuation software can adjust to many variations in pension benefits provided by public employee retirement systems. The following are featured in valuations/reports: <ul style="list-style-type: none"> • Calculation of Actuarially Determined Contribution (ADC) • Determination of Accrued Liability • Reasons for Change in Accrued Liability • Development of Plan Experience Gain (Loss) • Funding Position • Development of Valuation Assets • Pension Expense Calculations • Statement of Net Pension Liability • Determination of Single Discount Rate • Cash Flow Projections • Sensitivity Analysis GRS refers to their quality management program as 'peer review'. It is monitored by their Professionalism Committee. Under this committee, one person develops the plan costs and another verifies each value. A supervising actuary will review through the valuation process, and a peer review actuary will review all work completed as a final check. This committee also performs audits of the work as an additional check.	L&A reports are fully compliant with GASB standards and are easy to read for clients and auditors to incorporate in their financial disclosures. The valuation software used includes capabilities for providing additional scenario planning, sensitivity analysis to various assumption changes, multi-year cash funding projections, and transition plans into alternative funding policies. All client work and deliverables are subject to a quality assurance and internal audit process that ensures multiple levels of checking and reviewing by Accredited Actuaries and Actuarial Consultants has been completed, and perform a peer review to confirm all underlying work and client deliverables adhere to L&A quality standards and internal audit processes.
Describe the infrastructure you have built for providing actuarial services.	Vendor believes that their core business is providing actuarial services for pension and OPEB plans. Infrastructure includes: <ul style="list-style-type: none"> • Credentialed actuaries • Training programs and actuarial exam support for staff • Experienced public sector consulting teams • Written procedures and quality control checks • Highly-specialized teams for standard processes • Teams specialized in OPEB • Independent peer review actuary • Specialized software offerings 	<ul style="list-style-type: none"> • Software written specifically for government plans and maintained by their Internal Software, Training and Processes (ISTP) group, who also trains employees in the use of the software. • A quality management program, referred to as the Peer Review Process. Quality Assurance Procedures at GRS are developed and monitored by an internal Professionalism Committee consisting of seven consultants. The GRS Professionalism Committee performs internal audits of the work done for clients. The Professionalism Committee reports to the firm's President. • Employees pursue actuarial exams to attain professional credentials (such as ASA, FSA and EA). • Actuaries meet the continuing education and other requirements established by the Society of Actuaries, American Academy of Actuaries and the Joint Board for Enrolled Actuaries. 	The team at L&A works under a flat organizational structure in order to empower employees to better serve clients at all levels. L&A currently has 5 Credentialed Actuaries on staff, 3 experienced actuarial consultants, 4 actuarial analysts and an operations manager that pulls everything together internally, as well as for clients. Client will be assigned an Actuarial Client Manager that will be the main day-to-day contact, and a Primary Actuarial Consultant to ensure overall flow and progression on the project. In addition, L&A has 10 support staff who prepare the Plan's data reconciliation for use in the actuarial valuation. The Actuary team has the depth and resources to respond to any issues the client may have. Turnover rate has been below 6% as a firm. No primary members of the staff have been lost in the last five years. Instead, L&A has grown by three Credentialed Actuaries.
Will the actuarial records you maintain be "open" to auditors?	Yes	Yes	Yes
REPORTING			
Describe your reporting capabilities.	Every deliverable is reviewed by numerous credentialed actuaries, and nothing leaves the firm's offices without being reviewed by the senior quality control actuary and his team. This ensures that all deliverables are consistent and follow SOPs. Reports are usually produced within 45-60 days of receipt of all demographic and financial information required. The firm has never missed a deadline in reporting.	GRS provides more year end reporting than any other in the country with their client base. All of the valuation software and technology tools have been designed specifically for public sector clients, so GRS has the capability of providing all of the necessary information for year-end reporting in a fast and efficient manner.	Separate actuarial valuation is provided for Funding and GASB reporting purposes for the client's OPEB plan. As stated above, L&A provides summary results and exhibits for multi-year projections, scenario planning, sensitivity analyses to alternative assumptions and methods, and more. All work and client deliverables are peer reviewed thoroughly to ensure accuracy and consistency. Workflows are managed by a full-time project manager who maintains a tracking system to ensure that projects meet the client's deadline.

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What information is requested of a client to prepare an actuarial report for the benefits described.	For active members: Name, DOB, date of hire and salary information. For inactive members: name, DOB, date of retirement/termination, monthly benefit, form of payment, and beneficiary information. Asset information is requested annually.	Data requirements will vary due to the differences in each retirement plan. Typically in a pension plan, the following is requested: • Participant Data as of Valuation Date - active/retired/deferred - name/DOB/unique identifier/ years of service or date of retirement or termination/ gender, monthly benefit or pay, benefit group. • Financial information of Plan trust as of valuation date • Summary of benefit provisions for each benefit group as of valuation date • Misc. information related to Plan compensation To prepare an actuarial valuation of an OPEB plan, GRS requests the same items for a pension plan (see above), as well as the following OPEB-specific information from clients: • Current illustrative premiums rates • For self-insured plans: claims, exposures, stop-loss thresholds, administrative expenses, and premiums for the past two or three years • Benefit summaries for each healthcare plan option offered to retirees • Retiree and active member coverage and cost share information	Plan Information: <u>Eligibility and Plan Provisions</u> - L&A requests any edits or updates to the current plan. Member Data: <u>Census Information</u> - Name, unique ID, Gender, Status, DOB, Date of Hire, Date of Termination, Date of Retirement, Benefit Start Date, Spouse DOB/Gender, Benefit Stop Date, Monthly Benefit Amount, Form of Payment, PIA Amount, and any Benefit Reduction Amounts. <u>Covered Employee Payroll Information</u> Asset Information: <u>Financial Statements</u> - Statement of Net Position/ Statement of Changes in Net Position. Important Dates: L&A aims to keep timeline request for report.
How soon would the city receive the actuarial report after all information is provided?	Reports are typically produced within 45-60 days of receipt of all required information from client.	Typically, GRS provides retiree health valuation results within 10-12 weeks of receipt of all requested data. GASB reports are generally available within 3-4 weeks of receipt of required data.	Valuations typically take 6-8 weeks to complete. L&A will commit to providing clients with a complete set of draft results for review within 4 weeks.
TIMELINESS			
What procedures, practices or guidelines do you follow to ensure that your work is completed on a timely basis?	<ul style="list-style-type: none"> • Schedule conference call with delivery date in mind. • Keep communication with City/client constant to also be able to receive all required demographic data as needed. This will also ensure that firm is meeting needs and expectations. • Data will be reviewed as it is generated to check for understanding and if clarification from client is required. • Conference call will be scheduled with client to discuss assumptions, analysis of data, and assessment of any inconsistencies. • Data for actuarial report will be created and actuaries will review the output for reasonableness. • The report itself will not be created until all actuaries have signed off on numbers. It will be peer reviewed to ensure the math is correct and for consistency across all clients. • Preliminary report will be presented to City, which will provide City with relevant information necessary to satisfy GASB 74/75 and the Actuarial Standards of Practice. • Final results will be presented to the City, along with various cost containment strategies and plan provision alternatives that may align with the business model going forward. 	In order to complete work on a timely basis, GRS depends on City of Rochester Hills staff to provide them with necessary data and financial information that is to be used in the reporting/statements. GRS anticipates City staff to disclose non-routine projects and their deadlines so that GRS can meet the City's needs on a timely basis.	There is a full-time administrative manager who maintains a workflow tracking system for all client processes. This person verifies that projects are going through the proper processes. Tasks are continuously monitored to ensure deadlines are being met. The Primary Actuarial Consultant has meetings weekly with the other managers to make sure all projects are meeting deadlines.
Can you meet the timeline provided in the RFP?	Yes	Yes, the information and reports requested would be provided as of December 31 of each year. A draft report will be provided for review by February 15 of each year with a final report by March 1.	Contingent on receiving all requested information, L&A commits to the deadlines and timelines provided in the RFP.
What assurances can you provide that all assigned work will be completed on an agreed upon timeline? Are you willing to accept a reduction in fees for reports, projects, calculations, etc. which are not completed in accordance with an agreed upon deadline?	Firm is willing to place all fees at risk should they fail to meet an agreed upon deadline.	GRS has the available staff and resources to perform all services and provide deliverables within the expected timeframes. GRS did not specify assurances or mention fee reductions for work not completed within an agreed timeframe.	L&A cannot accept a reduction in fees if not completed within the agreed upon deadline for delays outside of their control. Their OPEB Team has a 98% on-time delivery rate and we will do everything within their ability to complete the project within the timeline request. Should they miss the deadline, their engagement letters contain language enabling the City/client to terminate all or a portion of the services contemplated by the engagement at any time for any reason upon 30 days written notice to the other.
EDUCATION AND TRAINING			

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Do you have training for your employees? If so, describe.	Firm encourages actuaries and consultants to attend educational activities throughout the year, and also provide monthly continuing education course training virtually. They also offer: • Formal training sessions • Employee coaching and mentoring • Seats at industry conferences • On-the-job training • Job shadowing • Job rotation	Professional staff must annually meet the minimum continuing education requirements that GRS has. This can be met by attending internal Client Practice Issues meetings, actuarial association sponsored podcasts, webinars, and conferences, as well as attend the GRS annual business conference. GRS supports staff to obtain professional credentials by offering paid study time, payment of any fees, seminar expenses and study materials.	L&A encourages training and goals for employees. They schedule regular career development meetings with staff. There is year-round training offered through an internal L&A University program, focusing on industry-related topics. Those employees working towards an Actuary license are provided paid study time. L&A offers reimbursement for various exams and study-related expenses. Actuaries participate in a minimum of 30 hours of continued education yearly.
MANAGEMENT COMMITMENT			
Does your organization have a total quality management program?	Firm has a formal program of peer review and quality control for all of its client work products. The quality control procedures for an actuarial valuation include extensive checklists utilized by the valuation actuary. The valuation checker must also sign off on every entry of the check list before finalizing the report. Following that, all reports are peer reviewed by a senior quality control actuary, so all documents are reviewed by at least two sets of eyes before leaving the office.	GRS has a total quality management program known as the Peer Review process. Under the Peer Review process, four team members are involved in the preparation of every actuarial valuation report. Professionalism Committee - Quality assurance procedures are developed and monitored by the Professionalism Committee - who performs internal audits of the work done for clients. Actuarial Valuations - Each valuation is supervised by a qualified consulting actuary. Special Projects - All projects follow quality procedures. Calculations are prepared by an analyst, checked by a senior associate, and peer reviewed by an actuary. Client Correspondence - Client correspondence is prepared by actuaries or consultants, and peer reviewed by another actuary or consultant. Internal Audit - Procedural audit to ensure associates are following quality procedures. External Audit - Work done by GRS is audited by other actuarial firms to ensure satisfactory quality.	Actuaries will ensure multiple levels of technical review by Accredited Actuaries has been completed, and perform a peer review to confirm all underlying work and client deliverables adhere to the quality standards and internal audit processes. This three step process ensures the best means of meeting clients' expectations and deadlines.
Do you survey your clients?	They do not survey their clients.	GRS conducts a periodic client satisfaction survey that requests information on consultants, service offerings, service levels, and resources.	L&A does not use a formal survey for clients, the value that L&A provides to government sector clients is evident through the growth in client base, revenue, staff and service offerings. Staff is encouraged to solicit client feedback on a regular basis so that they can act upon any concerns that may arise without the time lag that oftentimes comes with a formal annual survey process.
RISK MANAGEMENT			
Describe your system of controls to assure the accuracy of the processing and reporting information?	Firm requires that every deliverable is reviewed by a team of credentialed actuaries prior to it being sent to the client. This helps to avoid actuaries making recommendations inconsistent with Actuarial Standards of Practice/firm values. There is an extensive peer review process in place, which is led by an actuary with more than 25 years experience. Monthly meetings take place to discuss actuarial topics. The meetings also promote consistency in consultant recommendations.	As listed under previous sections, GRS has a total quality management program referred to as the Peer Review process. Under this, there are four team members involved in the preparation of every actuarial valuation report. GRS documents peer review guidelines for each member of a client team. Guidelines were developed by their Professionalism Committee and are reviewed and updated as appropriate.	All inputs and outputs from the valuation software, including summary actuarial valuation reports, are reviewed by at least three members of the actuarial team. Actuaries at L&A adhere to the high ethical standards detailed within the profession's Actuarial Standards of Practice (ASOPs). The evolving standards provide guidance on developing reasonable, best practices.
Describe the various types of insurance and indemnification provided to protect clients of services?	Professional Liability (Errors & Omissions): per-claim basis (\$5,000,000), subject to an annual aggregate (\$5,000,000). Comprehensive General: \$1,000,000 for each occurrence with a \$2,000,000 general aggregate. Automobile Liability: \$1,000,000 limit. Umbrella: \$5,000,000 limit for each occurrence. Workers Comp: \$1,000,000 limit. Cyber Liability: \$3,000,000 for each occurrence.	Comprehensive General: \$1,000,000 for each occurrence with a \$2,000,000 general aggregate Automobile Liability: \$1,000,000 limit Excess Liability: \$5,000,000 each occurrence Workers Comp: \$1,000,000 limit Professional: Each claim/aggregate: \$2,000,000 Cyber Risk/Internet: Each claim/aggregate: \$2,000,000	Various insurance coverages, including an Errors & Omissions and a Cyber Liability policy, are provided by Crum-Halsted Agency, through Hudson Excess Insurance Company. The policy limit is \$5,000,000. Any client can be listed as an additional insured on this policy, by request, once a signed engagement letter for services is received by L&A.
FEES			

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RFP-RH-24-056 Actuarial Services Bid Opening: Tuesday, October 22, 2024 @ 3:00 PM	Foster & Foster Inc. 2310 East Eleven Mile Rd Royal Oak, MI 48067	Gabriel, Roeder, Smith & Co One Towne Square, Suite 800 Southfield, MI 48076	Lauterbach & Amen, LLP 668 N River Rd Naperville, IL 60563																																																												
What is your fee for providing the services outlined in this RFP?	<table border="0"> <tr> <td>OPEB Valuation</td> <td>GASB 74/75</td> <td>PA202 Reporting</td> <td>Total</td> </tr> <tr> <td>2024 - \$5,000</td> <td>\$3,000</td> <td>\$1,500</td> <td>\$ 9,500</td> </tr> <tr> <td>2025 - \$2,500*</td> <td>\$3,100</td> <td>\$1,545</td> <td>\$ 7,145</td> </tr> <tr> <td>2026 - \$5,300</td> <td>\$3,200</td> <td>\$1,590</td> <td>\$10,090</td> </tr> <tr> <td>2027 - \$2,500*</td> <td>\$3,300</td> <td>\$1,640</td> <td><u>\$10,390</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td>\$37,125</td> </tr> </table> <p>*If full valuation required every year/Review of assumptions only \$2,500</p>	OPEB Valuation	GASB 74/75	PA202 Reporting	Total	2024 - \$5,000	\$3,000	\$1,500	\$ 9,500	2025 - \$2,500*	\$3,100	\$1,545	\$ 7,145	2026 - \$5,300	\$3,200	\$1,590	\$10,090	2027 - \$2,500*	\$3,300	\$1,640	<u>\$10,390</u>				\$37,125	<table border="0"> <tr> <td>OPEB Valuation</td> <td>GASB74/75 (inc PA202 Reporting)</td> <td>Total</td> </tr> <tr> <td>2024 - \$9,500</td> <td>Included</td> <td>\$9,500</td> </tr> <tr> <td>2025 - \$4,900</td> <td>Included</td> <td>\$4,900</td> </tr> <tr> <td>2026 - \$9,500</td> <td>Included</td> <td>\$9,500</td> </tr> <tr> <td>2027 - \$4,900</td> <td>Included</td> <td><u>\$4,900</u></td> </tr> <tr> <td></td> <td></td> <td>\$28,800</td> </tr> </table> <p>The fees provided above are based on a biennial valuation cycle where roll-forward techniques will be applied to the 12/31/2024 valuation for the purpose of preparing the information for the GASB Statement Nos. 74 & 75 for the fiscal year ending 12/31/2025. If the City agrees to a 4-year cycle at the time of the RFP, the fees will remain the same.</p>	OPEB Valuation	GASB74/75 (inc PA202 Reporting)	Total	2024 - \$9,500	Included	\$9,500	2025 - \$4,900	Included	\$4,900	2026 - \$9,500	Included	\$9,500	2027 - \$4,900	Included	<u>\$4,900</u>			\$28,800	<table border="0"> <tr> <td>OPEB Valuation</td> <td>GASB74/75 (inc PA202 Reporting)</td> <td>Total</td> </tr> <tr> <td>2024 - \$7,850</td> <td>Included</td> <td>\$7,850</td> </tr> <tr> <td>2025 - \$3,100</td> <td>Included</td> <td>\$3,100</td> </tr> <tr> <td>2026 - \$8,500</td> <td>Included</td> <td>\$8,500</td> </tr> <tr> <td>2027 - \$3,350</td> <td>Included</td> <td><u>\$3,350</u></td> </tr> <tr> <td></td> <td></td> <td>\$22,800</td> </tr> </table> <p>The fee table assumes a full Actuarial Valuation will be requested for the first fiscal year and an interim calculation will be requested in the following fiscal year.</p>	OPEB Valuation	GASB74/75 (inc PA202 Reporting)	Total	2024 - \$7,850	Included	\$7,850	2025 - \$3,100	Included	\$3,100	2026 - \$8,500	Included	\$8,500	2027 - \$3,350	Included	<u>\$3,350</u>			\$22,800
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Provide a detailed schedule of all fees, expenses and reimbursable costs.	See above. The cost above includes one on-site visit. Fees for additional services requested will be based on the amount of time required to complete each task. It is rare that any project is ever charged at hourly rates. Instead, firm will provide a firm fee quotation prior to commencing any work at the City's request. 2024 hourly rates: Senior Consultant - \$400 Senior Staff - \$350 Junior Staff - \$315 Administrative - \$150	<p>Attendance at meetings Attendance at meetings to discuss results and answer questions related to the actuarial valuation are included in the fees outlined above.</p> <p>Other GRS fees do not include any additional studies for changes in benefits, or any other items not detailed in this letter. The standard hourly rate for this would range from \$236-\$420 per hour.</p>	<p>Attendance at meetings Virtual Attendance is included at no extra cost. In-person meeting is \$500 per attendance request.</p> <p>Other Occasionally, additional services or analysis beyond the scope of this proposal will be requested. The cost per hour for additional services is \$275. At the request of the City and Board of Trustees, L&A will provide a flat fee quote in lieu of an hourly rate at the time additional services are requested, when the scope of services can be defined.</p>																																																												
Would you charge separately for travel expenses?	No	No	Virtual attendance at meetings is included at no additional cost. The in-person meeting travel expense is a fixed price of \$500 per attendance request.																																																												
Describe any other costs or expenses that might incur with your firm:	None	If, after commencement of the valuation, it is determined that some of the information is inaccurate or incomplete requiring re-work on GRS's part, we they will increase their fees based on actual time spent on the additional work.	L&A believes that their guaranteed fixed fees for four years are an effective and valuable means to control costs in an inflationary environment. The actuarial service billing typically emails invoices for the valuation services once per year, following delivery of the valuation reports. Additional billings may occur for out-of-scope projects, upon completion of the work.																																																												
REFERENCES																																																															
Provide names, contacts and phone number of clients	<p>Contact: Jennifer Essenmacher - City of Warren Police & Fire Phone: (586) 751-6833</p> <p>Contact: Steve Poloni, City Manager - Village of Grosse Pointe Shores Phone: (313) 881-6565</p> <p>Contact: Bridgett Bowdler, Deputy City Clerk - City of River Rouge Phone: (313) 842-5604</p>	<p>Contact: Megan Battersby - City of Southfield Phone: 248-796-5220</p> <p>Contact: Rheagan Basabica - City of Ypsilanti Phone: 734-482-9742</p> <p>Contact: Richard Ortiz - City of Melvindale's Retiree Health Care Plan Phone: 313-429-1059</p>	<p>Contact: Ramona Metzger - Director - City of Springfield, IL Phone: 217-789-2191 ext. 6214</p> <p>Contact: Rasheed Jones - Finance Director - Village of Meatteson, IL Phone: 708-283-4753</p> <p>Contact: Edward Then - Business Manager - Lakeland Union High School District, Wisconsin Phone: 715-356-5252 ext. 1663</p>																																																												
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Is your company a member of MAPERS?	Yes, and firm is also a member of: NCPERS, IFEBP, MAPERS of Missouri, LAPERS, TLFRA, TEXPERS, GAPPT, FPPTA, IPPFA, AFFI and GFOA.	Yes, and GRS is also a member of: NASRA, NCTR, NCPERS, P2F2, IFEBP, GFOA, FPPTA, MO-APERS, PAPERS, TXPERS, AAA, CCA, GASB, EA, SOA	L&A is a member of MAPERS, as well as many other organizations such as the Society of Actuaries, Michigan Government Finance Officers Association (MGFOA), Wisconsin Association of School Business Officials (WASBO), Illinois Public Pension Fund Association (IPPFA), American Academy of Actuaries, among others listed on page 29 in the vendor's response package.																																																												
Has your company or any of its employees been investigated by any state or federal regulatory or law enforcement agency in the last ten years?	No	No	No																																																												
Has your company or any of its employees been a party to any lawsuit, including suits involving misfeasance or professional negligence, within the last ten years?	No	As of October 22, 2024, GRS is not involved in any litigation. Within the past 10 years, GRS was involved in the following: Three separate but closely related lawsuits, all of which were voluntarily dismissed by the plaintiffs. The plaintiffs did not receive any remuneration or payment of any type from Gabriel, Roeder, Smith & Company in connection with the dismissal.	No																																																												

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<p>Please describe the transition process when taking on a new client.</p>	<p>Before the first valuation can be prepared, a complete transition of the prior year's valuation must take place. The typical process is as follows:</p> <ul style="list-style-type: none"> • Data is requested - demographic and financial. • Replication - review the information provided and use it to replicate the prior year's valuation results within an acceptable range. It will include a data review, liability match, and review of current funding methods. • Result Presentation: Final transition results will be formalized in a letter to document the work that was done and highlight any items that the Board may need to consider for the next valuation. <p>Transition will take approximately 6-8 weeks.</p>	<ul style="list-style-type: none"> • Meet with the relevant Board and/or Staff to discuss specific client needs. Identify changes, if any that need to be made to procedures or reports that are received, etc. • Determine order of priorities and scheduling. • Obtain data and assumptions for last valuations, either from prior actuary or client. • Obtain new data and financial information for next year. • Calculate valuation results. • Review significant findings with client. • Discuss report content, reporting needs, etc. • Issue draft report. • Review draft with client. • Issue final report. • Meet with Retirement System to discuss report findings. Client plan participant information may include sensitive personal information. The required encrypted method of information transmittal is through a GRS secure portal (secure file transfer or GRS Advantage™) or through a client-provided secure portal. 	<p>The transition process includes identifying risks and opportunities with the census data, assumptions and methods, strategic planning, fiduciary oversight and more. The actuarial team has extensive experience transitioning work from prior actuaries. There are no additional fees charged for this work. The process starts by matching the prior actuary's work in L&A's system based on the data and assumptions that were used. They will then review their findings with the client team and make recommendations for any changes that might better align with goals and objectives.</p>
<p>Please provide, with your response, a sample of what an OPEB report, from your firm, would look like.</p>	<p>Sample OPEB valuation is included in the Appendix section of the submittal.</p>	<p>A sample of the GRS OPEB report is provided in Appendix D.</p>	<p>A sample copy of a GASB 74/75 Limited Actuarial Valuation is in the Appendix section of the proposal.</p>