



TOWN OF NORTH PROVIDENCE, RHODE ISLAND

REQUEST FOR PROPOSAL

ACTUARIAL SERVICES OF LOCALLY ADMINISTRATED RETIREMENT PLAN

Proposals must be received by Thursday May 1, 2025 10:45 a.m. local time at the North Providence Town Hall, 2000 Smith Street, North Providence, RI 02911. Proposals will be read aloud at that time.

Specifications are available at the Division of Purchasing, Town Hall, 2000 Smith Street, North Providence, Rhode Island 02911.

All questions regarding these specifications are to be directed to the Purchasing Agent, North Providence Town Hall, 2000 Smith Street, North Providence, RI 02911.

Three copies of the proposal and one electronic copy must be submitted. The electronic copy shall be submitted on electronic media as PDF document.

Sealed bids, plainly marked, "Sealed Bid – "Actuarial Services" will be received until 10:45am on May 1, 2025 in the North Providence Town Hall, Assembly Room, 2000 Smith Street, North Providence, RI 02911:

The bids shall be opened June 23, 2020 at 11:00a.m. at the North Providence Town Hall, 2000 Smith Street, North Providence, RI 02911. The Town of North Providence reserves the right to reject any and all bids, or parts thereof, to waive any irregularity in the bids received and to accept the bids or parts thereof deemed to be most favorable to the best interest of the Town.

I. BID:

Proposals shall be submitted in duplicate with supplemental information. Information to be provided with the bid shall be on the bidders own form.

II. SUBMISSION OF BIDS:

- a. Envelopes containing bids must be sealed and addressed as specified above. In addition, they must be marked with the name and address of the bidder.
- b. Bidders must provide the information requested on the bid form.
- c. The Town will decide when the specified time has arrived to open bids, and no bid received thereafter will be considered.
- d. Any bidder may withdraw his bid by written request at any time prior to the advertised time for opening. Amendments will not be accepted.
- e. Unless otherwise specified, no bid may be withdrawn for a period of ninety (90) days from time of bid opening.
- f. Negligence on the part of the bidder in preparing the bid confers no rights for withdrawal of the bid after it has been opened.
- g. Proposals received prior to the time of opening will be securely kept, unopened.
- h. Any deviation from the Specifications must be noted in writing and attached as part of the bid proposals. The Bidder shall indicate the item or part with the deviation and indicate how the bid will deviate from Specifications.
- i. Bidders must have submitted a bidder information form available on the purchasing webpage to the North Providence Purchasing Agent Office upon receipt of specifications.

III. RHODE ISLAND SALES TAX:

The Town is exempt from the payment of the Rhode Island Sales Tax under the 1956 General Laws of the State of Rhode Island, 44-18-30, Paragraph 1, as amended.

IV. FEDERAL EXCISE TAXES:

The Town is exempt from the payment of any excise tax or federal transportation taxes. The price of the bid must be exclusive of taxes and will be so construed.

V. QUALIFICATIONS OF BIDDERS:

The Town may by committee review and evaluate bidders, make investigation as it deems necessary to determine the ability of the bidder to perform the work. The bidder shall furnish the Town with all such information and data for the purpose as may be requested.

This is an evaluated bid. Bids will be evaluated on the following criteria using a weighted scale:

Experience in Field	20%
Previous Performance	10%
Fee Amount	40%
Credentials/Qualifications	10%
Ability to Perform Described Services	20%

The successful bidder must provide a contractual letter of terms and conditions applicable to all services engaged.

VI. ADDENDA AND INTERPRETATIONS:

No interpretation on the meaning of the Specifications or other Contract Document will be made to any bidder orally. Any and all interpretations and supplemental instructions which, if issued, will be emailed to all perspective bidders. Failure of any bidder to receive any such addendum or interpretations shall not relieve any bidder from obligation under his bid as submitted. All addenda so issued shall become part of the contract.

V. AWARD OF BIDS:

The Town reserves the right to award in whole or in part.

VI. SCHEDULE OF WORK:

Work shall commence on as directed.

VII. FUND INFORMATION.

Market value of assets as now:

Police Pension: January 31, 2025

Market value: \$60,712,083.00

Membership Retiree - 120

Membership Active - 58

Total: 178

Fire: COLA Pension as of January 31, 2025

Market value: \$5,693,368.00

Membership Retiree - 103

Membership Active - 90

Total: 193

**NORTH PROVIDENCE
ACTUARIAL SERVICES
ACTUARIAL SERVICES AND QUALIFICATIONS**

Scope of Services

Institutions bidding on this mandate must submit bids including all services described in this mandate, which will require at a minimum, but not limited to, the following scope of services to the Fund:

Valuation Services

- Report and recommendation regarding the adoption of actuarial assumptions (including but not limited to salary, mortality, and interest rate assumptions) to be used for the annual actuarial valuation of the Fund.
- Preparation of a bi-annual detailed valuation report for the Fund, to be signed and presented to the Town no later than December 31th of the following year that includes a determination of the actuarial status of the plan as of June 30th of the preceding year. The reports shall include – but not be limited to – the following information: summary of valuation results; employee data including a distribution of active employees and retirees, actuarial balance sheet; the development of employer contribution rates; explanation of actuarial method and assumptions; calculation for pooled investments; and, any additional information necessary for compliance with pronouncements of the Governmental Accounting Standards Board (GASB Statements 67, 68) and the State of Rhode Island Auditor General's office which is required to conduct a yearly audit of the system.
- Performance of valuation, as required by GASB and Rhode Island state law and in the form requested by the Town Auditor.

Staff Services

- Attendance by a Fellow or Associate of the Society of Actuaries at least one (1) meeting per year and additional or special meetings upon request.
- Assistance by a Fellow or Associate of the Society of Actuaries on an as needed basis, including responses to routine phone calls and written responses to correspondence from the system.
- Development and review of tables necessary in the calculation of benefits.
- Recommendations regarding the continued improvement of actuarial reporting and downloading of member data for valuations.
- Periodic updates regarding federal legislation and/or IRS Rules or Revenue Rulings that may affect the operation of the Fund and the payment of benefits.

Retirement Calculation Verification

Whenever an active member of the Fund retires, the Town will ask the Respondent to verify the retirement calculation by:

- Receiving a formal request for retirement calculation verification, a copy of the retirement application, all employment data, the relevant Collective Bargaining Agreement and other legal requirements, and any and all other relevant documentation.
- Using the Collective Bargaining Agreement, other legal requirements, and employee data, calculate the monthly pension payment the retiree is to receive.
- Forward the calculation used and payment verification to the Town for a formal vote on the retiree's pension payment.

Special Projects

At the request of the Fund, the Respondent may be asked to perform Actuarial Services on an as needed basis (“Special Projects”). Upon request for any Special Project, the successful firm must provide a written, cost estimate, which shall include:

- A description of the work that will be performed;
- A schedule for the completion of the project;
- The number of consultant hours required by consultant classification;
- Total anticipated expenses.

Such work may be commenced only upon the approval of the Fund. Any work without such approval shall not be chargeable to the Fund.

Minimum Requirements

- The firm is a professional actuarial firm that provides actuarial valuations, experience investigations, and pension consulting services.
- The principal actuary who will be responsible for the Fund Actuarial Services is a fellow of the Society of Actuaries, and is an enrolled actuary and member of American Academy of Actuaries.
- Respondent must have offered the services specified in Section [SERVICE REQUIREMENTS] herein to at least three other public defined benefit pension plans of at least similar size for a minimum of three years;
- Respondent must agree to disclose all potential conflicts of interest as such exist or occur, and annually disclose all sources of revenue and all affiliations;
- The principal actuary proposed for this engagement must have a minimum of five years’ experience (two years with Respondent) in actuarial valuations and pension consulting services;

Requirement Questions

- Is Respondent a professional actuarial firm that provides actuarial valuations, experience investigations, and pension consulting services?
- Provide the names of any defined benefit public pension system clients for which Respondent has provided Actuarial Services comparable to the scope of services described herein, and to which the Respondent had provided those services continuously for the five (5) year period ending June 30, 2020.
- Is the principal actuary who will be responsible for the Fund account a fellow of the Society of Actuaries and an enrolled actuary?
- Will Respondent contractually agree to disclose all potential conflicts of interest as such exist or occur, and annually disclose all sources of revenue and all affiliations?
- Provide the name of the Principal Actuary that Respondent will assign to the Board if it is awarded this mandate. For purposes hereof, Principal Actuary shall mean the lead, most senior actuary assigned to regularly provide direct services to the Board. Provide a brief biography of the Principal Actuary with

information sufficient to determine whether or not the individual meets the minimum requirements stipulated in this RFP.

- Is the Respondent currently able to provide the full scope of services listed? If not, explain which services Respondent cannot provide.
- Organization, Independence and Ethics
- Provide the name, address, telephone and fax numbers, and e-mail address of the Respondent's representative to contact regarding all contractual and technical matters concerning the Respondent's proposal.
- Provide the address of the Respondent's main corporate office, and the location by city of all other offices or that provide services similar to those requested in this RFP. Indicate which office will be primary in servicing the Board, and any other offices that will be involved in provision of services to the Board. Provide the number of employees located at each office location, and describe the general function(s) of each office.
- Does the Respondent intend to utilize any subcontractors in delivering the scope of services? If yes, provide the name and qualifications of any subcontractors that the Respondent intends to use for this mandate. Will the Respondent agree to hold harmless and indemnify the Board and the Fund for any acts of subcontractors?
- Briefly describe Respondent's history and current ownership structure. List the owners of the Respondent from largest to smallest percentage of ownership. Include individuals and corporate owners, and indicate which individual owners are employed by Respondent.
- Within the past three (3) years, have there been any significant developments in your organization such as changes in ownership, restructuring, or personnel reorganizations? If yes, please describe. If you anticipate significant structural changes in your organization within the next twelve (12) months, please describe the anticipated changes.
- Has your institution, its principals, any primary employees, or any affiliate ever:
 - been the focus of an inquiry or investigation from any a federal, state or self-regulatory body or organization,
 - been involved in any litigation or other legal proceeding or government investigation involving fraud, negligence, criminal activity or breach of fiduciary duty relating to service provided to any clients, or
 - submitted a claim to your general liability, theft and fidelity, or indemnity insurance carrier(s) related to Actuarial Services?
 - If yes to any, please provide details.
 - Briefly describe any currently pending or threatened litigation involving your institution?
- Identify any potential conflicts of interest that could exist between the Fund and (a) other client interests, or b) that may result from other services provided by your institution or affiliated organizations. Describe your institution's policies and procedures designed to prevent conflicts from occurring. Provide as Exhibit the Respondent's conflict of interest policy and Code of Ethics.

- Provide the coverage amount and name of carrier for the following:
 - General Liability insurance
 - Errors and Omissions insurance
 - Indemnity, or any other applicable insurance
- Is it Respondent's policy to impose any limitation on liability through your contract with clients? If yes, please describe.
- Briefly describe Respondent's disaster recovery plan.

Experience

- Describe Respondent's relevant experience providing Actuarial Services to public fund clients including relevant practices, reports generated, and software coordination with consultants. Include any practices or efficiencies you believe would be beneficial to the Fund.
- Explain how the relationship with the Board would function. Be sure to identify who will be Principal Actuary, who will serve as the back-up that person in situations when the Principal Actuary could not be available, and who will perform the analytical work on the relationship.
- Provide as Exhibit B biographies of the personnel that will be assigned to the Board relationship. The following information must be included:
 - Full name
 - Title
 - Current duties – Describe current duties at the institution
 - Role – Describe the role this person would have with the Fund
 - Total years of public fund actuarial experience
 - Total years of public fund actuarial support experience with Respondent
 - Total years with Respondent
 - Total current number of assigned accounts for which this person has Principal Actuary responsibilities
 - Total current number of assigned accounts for which this person has support or back-up responsibilities
 - Name, plan type, length of relationship, and size of each assigned client account for which this person serves as a Principal Actuary
 - Name, plan type, length of relationship, and size of each assigned client account for which this person serves in a support or back-up capacity
 - Education – List all post-secondary degrees, professional designations, licenses, etc., the issuing institutions, and year awarded
 - Employment history – List employers, dates of employment, and
 - functions performed as it relates to the scope of services specified
 - herein
- Provide as Exhibit C biographies of the Respondent's other key personnel. Provide the following information:
 - Full name
 - Title

- Current duties – Describe current duties at the institution
 - Total years of public fund actuarial support experience
 - Total years of public fund actuarial support experience with Respondent
 - Total years with Respondent
- List current local government pension system clients (Preferably in the small to mid-sized range) of the firm for whom you perform actuarial valuations, accompanying experience investigations, and serve as primary actuary. In addition, please list those state or local pension systems you have lost as clients during the past five years. Finally, all firms should submit a past template or sample of an actuarial valuation and experience study.
 - How many defined benefit clients does your firm serve, both public and private?
 - Please list your current public pension fund clients and include the size of each client's active, inactive, and retired membership, as well as their assets.
 - Provide references for three (3) current defined benefit public pension fund clients that have utilized Respondent's Actuarial Services for at least five (5) years each. Include the name of the system, contact person and telephone number. Provide the same information for three (3) former defined benefit public pension plan clients that terminated the Respondent in the last five years.

Cost Proposal

Please provide the annual Retainer Fee for Valuation and Staff Services for each year. This is a one-year agreement; the Town may elect to renew this agreement for second, third, fourth and fifth year. Please provide cost for Experience and full evaluations for each year.

Indicate any additional categories of services that would be considered to be "special projects" that would not be included in the flat annual fee quoted, and specifically define how "special projects" would be billed. (For example, if a special project will be billed at an hourly rate, then explain this and provide the hourly rate that would apply.)

Does the Respondent's flat annual fee quote include the costs incurred by the Respondent? If not, please list and describe all costs, fees, or charges that would apply to the Actuarial Services provided to the Town.

Does Respondent propose to index its flat annual fee to account for inflation? If yes, please provide the formula Respondent proposes the Town use for this purpose.

Will the Town be required to execute a separate contract(s) for any purpose in order for Respondent to deliver the scope of services required in this RFP? If yes, describe those agreements.

Bid Form

It is understood that the Town reserves the right to award the bid by item or alternate item, and further reserves the right to reject any and all proposals or parts thereof, to waive any informality in the proposals received and to accept the proposal or parts thereof, which it deems to be most favorable to the best interest of the Town.

The bidder will identify business entity as individual, or if doing business under an assumed name, indicate assumed name, partnership (naming partners) and indicate official capacity of person executing proposal and bid.

BIDDER: _____

CONTACT: _____ PHONE: _____

ADDRESS: _____

DATE: _____

SIGNATURE: _____

Being a (Corporation, incorporated under the laws of the State of)

Partnership
Individual

Composed of officers, partners or owner as follows:

(President) (Owner) (Partner/s)

PROPOSED FEE:

Year One: Roll-Forward Valuation: _____ Full Valuation: _____

Year Two: Roll-Forward Valuation: _____ Full Valuation: _____

Year Three: Roll-Forward Valuation: _____ Full Valuation: _____

Year Four: Roll-Forward Valuation: _____ Full Valuation: _____

Year Five: Roll-Forward Valuation: _____ Full Valuation: _____

For work not included in this specification hourly rate: _____