

**Department of Materials Management
Procurement Unit
MONTGOMERY COUNTY PUBLIC SCHOOLS
45 W. Gude Drive, Suite 3100
Rockville, Maryland 20850**

April 12, 2017

NOTICE TO BIDDERS

**The following are questions and responses regarding
RFP #1139.4, Actuarial Consulting Services for Montgomery County Public Schools**

Question 1: Why has the Board decided to put the actuarial services out to bid?

Answer: Current RFP expires June 30, 2017. This will be a new contract.

Question 2: Is the current actuary allowed to bid?

Answer: Yes.

Question 3: What concerns does the Board have relating to its pension and OPEB plans?

Answer: At this time MCPS has no concerns.

Question 4: What were the fees paid in each year of 2014, 2015 and 2016 for the in-scope actuarial services of the MCPS Employees Retirement and Pension System?

Answer:

	Fiscal 2014	Fiscal 2015	Fiscal 2016
In scope Pension Valuation Services	\$58,000	\$58,100	\$60,000

Question 5: What were the fees paid in each year of 2014, 2015 and 2016 for the in-scope actuarial services of the MCPS Other Post-Employment Benefits Plan?

Answer:

	Fiscal 2014	Fiscal 2015	Fiscal 2016
In scope OPEB Valuation Services	\$0	\$30,000	\$0

Question 6: Who is the current vendor?

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Answer: AON Consulting, Inc.

Question 7: How long has the current vendor performed the services?

Answer: Since July 1, 2011.

Question 8: Is the current vendor eligible to participate in this RFP process?

Answer: Yes

Question 9: Why are these services out to bid? Are they due to the expiration of the current contract or for other reasons?

Answer: Yes, expiration of the current contract.

Question 10: Was the work required in prior years similar to that described in the current RFP? Are there any improvements, or additional services that MCPS is seeking?

Answer: Yes

Question 11: In order to assist us in gaining a clear understanding of the scope of work, can you provide the amount of the total level of effort (hours of work) and annual fees paid to the current actuarial vendor in 2015 and 2016?

- a. In particular, if available, please provide the separate fees / hours of work for different services included in the current vendor's contract (for example, annual actuarial review, annual actuarial valuation, experience study, other regular services, etc.).

Answer: See answers for Question 4 and 5. Services vary by circumstances and need. In some years there are no or very limited services beyond the valuation. Past work levels are not a guarantee of future requests. The proposer should provide a bid based on its experience with similar entities

Question 12: What type of data is typically provided to the actuarial consultant for review? When the data is typically provided to the actuarial consultant for review?

Answer: Participant data is needed for valuation purposes. It is typically end of August

Question 13: Can you identify and list the optional tasks performed?

- a. Number of hours for each task on annual basis?
- b. Dollar amount of fees paid to perform each optional task?
- c. What optional tasks do you anticipate in the new contract cycle?

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Answer: Services vary by circumstances and need. In some years there are no or very limited services beyond the valuation. Past work levels are not a guarantee of future requests. The proposer should provide a bid based on its experience with similar entities.

Question 14: How many meetings at the client site are required per year in the RFP? Please provide us with the address where those meetings will take place.

Answer: At least 2 though typically 3 to 4
Board of Education of Montgomery County
850 Hungerford Drive, Rockville MD, 20850

Question 15: Why are proposals for actuarial services being requested at this time?

Answer: See Question 1 answer.

Question 16: When was the last time the actuarial services were put out for bid?

Answer: May 2011.

Question 17: How long has the current actuary been providing actuarial services to MCPS?

Answer: See Question 7 answer.

Question 18: Are there any service concerns with the current actuary?

Answer: At this time there are no service concerns with the current actuary.

Question 19: Is the current actuary permitted to bid on this RFP?

Answer: Yes.

Question 20: Please provide a copy of the winning proposal from the prior RFP issued on behalf of actuarial services.

Answer: The RFP includes all the required information desired in the scope of services

Question 21: In what format; e.g., Excel, Access or other, is member data submitted to the actuary?

Answer: Excel

Question 22: What is the expected timing for the June 30, 2017 pension and OPEB actuarial valuations (including such items as delivery of the data to the actuary, due date for completion of the actuarial reports, etc.)? Also, when are the actuarial valuation results typically presented to the Board?

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Answer: The consultant company typically doesn't need to present results to the full Board. The company typically present to Fiscal Management Committee and Board of Pension Trust. The reports need to be provided to MCPS by mid to late October so MCPS can have discussion in advance of the Committee presentations

Question 23: Can you please provide the annual actuarial fees paid to the current actuary for each of the last three years for fixed fee services comparable to those included in the RFP?

Answer: See answers from Question 4 & 5.

Question 24: Can you please provide the hourly rates being charged by your current actuary for non-fixed fee projects?


Answer: See Question 10 answer.

Question 25: Can you please provide the number of hours charged by the current actuary for non-fixed fee projects for each of the last three years?

Answer: Services vary by circumstances and need. In some years there are no or very limited services beyond the valuation. Past work levels are not a guarantee of future requests. The proposer should provide a bid based on its experience with similar entities

Question 26: Would you consider including mutually acceptable limitation of liability language in the MCPS General Contracting Articles?

Answer: The language of termination for default or for convenience of MCPS is included in the Article 26.



Barbara Regalia, CPPB, Team Leader
Procurement Unit

Please indicate your acceptance of this notice by signing below and returning with your RFP or under separate cover.

Accepted: _____
Name and Title

Name of Company _____