

**Office of Finance
Division of Procurement
MONTGOMERY COUNTY PUBLIC SCHOOLS
850 Hungerford Drive
Rockville, Maryland 20850-1747**

**Request For Proposal No. 1139.5, Actuarial Consulting Services
for the Montgomery County Public Schools**

1.0 INTENT

This Request for Proposal (RFP) is intended to solicit bids from qualified firms to provide actuarial consulting services for the Montgomery County Public Schools (MCPS) Employees' Retirement and Pension (Pension Plan) System and Other Post-Employment Benefits (OPEB) Trust.

2.0 BACKGROUND

MCPS provides a comprehensive and competitive package of health and welfare benefits to approximately 24,000 active and 10,600 retired employees and their eligible dependents. All eligible MCPS employees participate in the MCPS sponsored defined benefit retirement plans, which has two subsystems. The Employees' Retirement System (ERS) provides benefits for employees who enrolled in the plan prior to December 31, 1979, and the Employees' Pension System (EPS) provides benefits for employees enrolled on or after January 1, 1980, or who elected to transfer from the ERS to the EPS. Benefits from the plans are supplemental to benefits provided by the Maryland State Retirement Agency for those members who are also enrolled in the Maryland State Teachers' Retirement or Pension Systems. Full benefits are provided to those MCPS members who are not enrolled in the Maryland State Teachers' System. Employee contribution amounts vary based on plan.

The ERS and EPS covers approximately 24,000 active and 24,000 retired or vested former members. In 1995, the Board of Education merged the ERS and EPS, and as of June 30, 2022, the merged plan had assets of \$2.0 billion. Plan assets are managed by multiple asset managers under the direction of a nine-member Board of Investment Trustees. NEPC, LLC serves as investment consultant to the Board of Investment Trustees. The combined MCPS and employee contributions to the plans were \$97.0 million for the plan year ending June 30, 2022.

MCPS established the OPEB Trust in June 2007 for the purpose of funding health and welfare benefits promised to future retirees. The Board worked jointly with the county and other county agencies to develop a common approach for funding OPEB that would be acceptable to the Montgomery County Council, the funding authority for the Board. Beginning in fiscal year (FY) 2012, and each year thereafter, the Board's annual unfunded actuarial accrued liability (UAAL) contribution has been made by the Montgomery County Council directly to the consolidated OPEB Plan Trust rather than to the Board OPEB Plan Trust.

Copies of the July 1, 2022 Pension Plan and OPEB Trust actuarial valuations are attached.

3.0 SCOPE OF SERVICES

MCPS desires to retain an actuarial consultant to provide some or all of the following tasks.

- 3.1** Review the annual actuarial valuation for the Pension Plan for the plan year ending June 30, 2022, and report/comment on the appropriateness of actuarial assumptions, funding methodology, contributions, requirements, funding ratios, accrued liability projections, and provide financial information to meet Governmental Accounting Standards Board (GASB) requirements for the coming years, etc.

Review the annual actuarial valuation for the OPEB Trust for the plan year ending June 30, 2022, and report/comment on the appropriateness of the actuarial assumptions, funding methodology, contributions, requirements, funding ratios, accrued liability projections, and provide financial information to meet GASB requirements for the coming years, etc.

The July 1, 2018 Experience Study is attached.

- 3.2** Prepare the annual Pension Plan actuarial valuation for the plan year ending June 30, 2023. The valuation must include, but not be limited to, all data contained in the July 1, 2022 valuation.

Prepare the annual OPEB Trust actuarial valuation for the plan year ending June 30, 2023. The valuation must include, but not be limited to, all data contained in the July 1, 2022 valuation. NOTE: Any proposed changes to retiree eligibility and health care benefits may result in a July 1, 2022 actuarial valuation being requested.

- 3.3** Prepare projections of future employer contributions to the Retirement and Pension System for the next six fiscal years.
- 3.4** Present results of the valuation study to MCPS staff, the Board of Investment Trustees, and the Board of Education Fiscal Management Committee, as requested.
- 3.5** If requested, assist MCPS officials in evaluating benefit plan proposals and options preceding and during labor negotiations.
- 3.6** If requested, assist MCPS in reviewing and amending plan documents and updating summary plan documents.
- 3.8** Provide on-going actuarial consulting services, as necessary.

MCPS reserves the right to add or delete Contractors throughout the contract term should MCPS determine, in its sole discretion, that there be a need for additional services not available from the awarded Contractors.

4.0 CONTRACT TERM

The term of contract shall be for two (2) years as stipulated on the RFP. However, the contract may not begin until one day after approval by the Board of Education and will conclude as stated under the Article 8, Payment Terms and Conditions. MCPS reserves the right to extend this contract at existing prices, terms and conditions for up to two (2) two-year additional terms. Written notice indicating MCPS' intention to pursue the extension of the contract will be issued to the successful vendor(s) 90 days prior to the expiration of the original contract. The vendor(s) shall have ten (10) days from the date of notification to return the notice acknowledging its intent to accept or reject the extension. Once the response is evaluated, MCPS staff may make a recommendation to the Board of Education to extend the contract or decide to rebid. If the contract is extended by the Board of Education a contract amendment will be issued.

5.0 PROVISION FOR PRICE ADJUSTMENT

Price increases will not be considered for the first two (2) years of the contract. Thereafter, if the contract is extended, the successful vendor must submit a written request for price relief. Adjustments will be based upon the Consumer Price Index (CPI), specifically, the All Consumer Index, published by the U.S. Department of Labor, Bureau of Labor Statistics, for the Washington D.C., Metropolitan Area and shall not exceed seventy-five percent (75%) of the percentage change of January 1 CPI's, rounded to the nearest tenth of a percentage. Downward adjustments shall be made by MCPS without a request from the successful vendor.

MCPS reserves the right to accept or reject the request as may be determined to be in the best interest of MCPS. If the price increase is accepted, a contract amendment will be issued. Any services requested prior to a request for a price increase shall be honored at the original contract price.

6.0 DEVIATIONS

MCPS expects to enter into a contract that has terms and conditions as stated in the RFP. Proposals must clearly identify any variances from or objections to the specifications in this RFP, including the terms and conditions in this section. Lacking any response to the contrary, MCPS will infer that respondent agrees to the conditions of the RFP.

7.0 PROJECT CONTACT

The MCPS project contact for this proposed procurement is:

Montgomery County Public Schools
Office of Finance
Attn: Rob Reilly
850 Hungerford Drive, Room 170
Rockville, MD 20850
Phone: 240-740-3160
Robert_Reilly@mcpsmd.org

8.0 REFERENCES

Contractors are required to provide three (3) references. The references shall have company name, contact person, address and phone number of two (2) current customers for which a contract for similar services have been provided. If the reference information is not accurate and MCPS cannot contact the person(s) named your proposal may not be considered.

<u>Company Name & Address</u>	<u>Contact Person</u>	<u>Phone Number</u>	<u>Contract Number</u>
1. _____			
Email: _____			
2. _____			
Email: _____			
3. _____			
Email: _____			

9.0 MANDATORY SUBMISSIONS

Each offeror must submit a complete proposal including all required information and attachments. The response shall address each paragraph in the same order as the RFP and provide an individual response to each RFP specification. All proposals must be presented using the same numbering sequence and order used in this RFP document or as otherwise specified by MCPS. Offerors may request via email to Angela McIntosh-Davis, director, Division of Procurement at Angela_S_Mcintosh-davis@mcpsmd.org, a Microsoft Word version to help them in preparing the response.

One (1) original and four (4) copies as well as one (1) electronic version on flash drive and one (1) redacted copy of responses must be sent by mail, courier or hand-delivery and shall be in binders with tabs identifying each section. A table of contents should be included and all pages numbered as referenced in the Table of Contents. No faxes or electronic submission of proposals will be accepted. Proposals are to be received no later than 2:00 p.m. on Friday, March 17, 2023. Submit responses of the entire RFP to:

Montgomery County Public Schools
Division of Procurement
45 West Gude Drive, Suite 3100
Rockville, MD 20850

Submissions will become the property of MCPS.

The proposal must be signed by an official having authority to contract with MCPS. The firm and the official’s name shall be used in the contract process. MCPS reserves the right to make

an award without further discussion of the proposals received. MCPS may also negotiate with the one offeror who submits the best proposal or with two or more offerors who are in the competitive range. Therefore, it is important that the offeror's proposal be submitted initially on the most favorable terms from both the technical and cost standpoints. After the submission and closure of proposals, no information will be released until after the award. It is understood that the offeror's proposal will become a part of the official file on this matter without obligation to MCPS.

The proposal must be complete and comply with all aspects of these specifications. Marketing or promotional verbiage will likely overshadow the offeror's qualifications and expertise. MCPS urges the offeror to be specific and brief in their responses.

Offerors must include any and all statements and representations made within its proposal in the contract for services with MCPS unless otherwise agreed upon by MCPS and offerors during negotiations. This includes, but is not limited to, the vendor's point-by-point response to this RFP. If offeror answers only "Understand and comply" it is assumed that the offeror complies with MCPS' understanding of the requirement.

MCPS shall not be responsible or liable for any costs incurred by the offeror in the preparation and submission of their proposal and pricing.

Failure to include the following required submissions may render the proposal non-responsive.

Respondents must follow the format outlined below or their proposals may be considered non-responsive and subject to disqualification. Written proposals must include the following:

- 9.1** Qualification of Contractor
- 9.2** A brief summary of the firm's history and its experience in providing actuarial and other consulting services similar to that outlined in this RFP.
- 9.3** A description of the scope, diversity, and types of actuarial consulting experience, including a listing and description of experience with government contracts over the last three years.
- 9.4** A description of the contractor's financial responsibility including at least two (2) current financial and credit references.
- 9.5** A description of all prior and pending legal actions filed against the offeror within the last five years.
- 9.6** Three or more recent references including addresses and telephone numbers of contact individuals, which demonstrate prior expertise in providing services requested in this RFP.
- 9.7** Provide a list of clients lost during the last 24 months and list the reasons those clients are no longer doing business with the firm.

- 9.8** A brief description of qualifications, experience and availability of each full-time professional who will be assigned to perform the work specified. Assigned staff may not be removed from the project without the written consent of MCPS.
- 9.9** Briefly describe system security measures and back-up plans for any data you may be asked to maintain for MCPS.
- 9.10** Provide a detailed description of the process you will employ to complete tasks 3.1, 3.2 and 3.3 in this RFP, including suggested timelines for completion. Please keep in mind that the results of the actuarial valuation will determine the employer contribution for FY 2025, and should be completed in time to be incorporated into the budget in the fall.
- 9.11** Cost Proposal, See 15.0
- 9.12** Additional Information, See 9.1 – 9.12
 Equal Opportunities Certification (Attachment A)
 Certification of Non-segregated Facilities (Attachment B)
 Minority Business Enterprise (Attachment C)
 Non-Debarment Acknowledgement (Attachment D)
 Mid-Atlantic Purchasing Team Rider Clause
 Current Form W-9
 A list of any variances from or objections to the terms and conditions of the MCPS General Contracting Articles, as well as a justification for any such variances or objections.
 A redacted copy of offeror's proposal as specified in Sections 10.0 and 11.0.

10.0 TREATMENT OF TECHNICAL DATA IN PROPOSAL

The proposal submitted in response to this request may contain technical data which the offeror does not want used or disclosed for any purpose other than evaluation of the proposal. The use and disclosure of any such technical data, subject to the provisions of the *Maryland Public Information Act (MPIA)*, may be so restricted:

Provided, that offeror marks the cover sheet of the proposal with the following legend, specifying the pages of the proposal which are to be restricted in accordance with the conditions of the legend: "Technical data contained in pages ___ of this proposal shall not be used or disclosed, except for evaluation purposes."

Provided, that if a contract is awarded to this offeror as a result of or in connection with the submission of this proposal, MCPS shall have the right to use or disclose these technical data to the extent provided in the contract.

This restriction does not limit the right of MCPS to use or disclose technical data obtained from another source without restriction.

MCPS assumes no liability for disclosure or use of unmarked technical data or products and may use or disclose the data for any purpose and may consider that the proposal was not submitted in confidence and therefore is releasable. Price and cost data concerning salaries, overhead, and

general and administrative expenses are considered proprietary information and will not be disclosed, if marked in accordance with the instructions in 12.0.

11.0 PROPRIETARY AND CONFIDENTIAL INFORMATION

Offerors are notified that MCPS has unlimited data rights regarding proposals submitted in response to this solicitation. Unlimited data rights means that MCPS has the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, or perform publicly and display publicly any information submitted by the offeror in response to this or any solicitation issued by MCPS. However, MCPS will exempt information that is confidential commercial or financial information of an offeror, as defined by the *Maryland Public Information Act, State Government Article, Section 10-617*, from disclosure. It is the responsibility of the offeror to clearly identify each part of its proposal that is confidential commercial or financial information by stamping the **bottom right-hand corner** of each pertinent page with one-inch bold face letters stating the words “**confidential**” or “**proprietary**.” The offeror agrees that any portion of the proposal that is not stamped as proprietary or confidential is not proprietary or confidential. As a condition for MCPS keeping the information confidential, the offeror must agree to defend and hold MCPS harmless if any information is inadvertently released. Each offeror must submit a proprietary and confidential redacted copy of its proposal to be used in responding to MPIA requests.

12.0 INQUIRIES

Questions should be submitted in writing, to Angela McIntosh-Davis, director, Montgomery County Public Schools, Division of Procurement, 45 W. Gude Drive, Suite 3100, Rockville, Maryland 20850, email, Angela_S_Mcintosh-davis@mcpsmd.org. The Board of Education will not be responsible for any oral or telephone explanation or interpretation. Vendor contact with any other MCPS employee regarding this solicitation until the contract is awarded by the Board of Education will be considered by MCPS as an attempt to obtain an unfair advantage and result in non-consideration of its bid. The MCPS Division of Procurement website address is <http://www.montgomeryschoolsmd.org/departments/procurement/vendors>.

13.0 AWARD CRITERIA

13.1 MCPS will evaluate all proposals in a fair and impartial manner. The criteria to be considered in evaluating the proposals will include, but may not be limited to the following:

- Methodology of analysis, approach, and resources applied in accomplishing the tasks identified in the Scope of Services
- Depth and diversity of actuarial consulting experience of the firm
- Experience as actuarial consultant for plans of boards of education, governments or government instrumentalities
- Information received from the vendors references
- Professional qualifications of personnel assigned to the project
- Cost

13.2 The contract will be awarded to the responsive and responsible vendor meeting specifications and considered to be in the best interest of MCPS. Interviews may be held, at the discretion of MCPS, with top ranked firms. After receipt and evaluation of proposals, MCPS reserves the right to negotiate with the finalist with respect to costs and the scope of work to be performed.

13.3 MCPS reserves the right to accept or reject any and all proposals, in whole or in part, received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified offers in any manner necessary to serve the best interests of MCPS.

14.0 SCHEDULE OF EVENTS

RFP issued:	February 21, 2023
Questions related to RFP:	February 28, 2023
MCPS response to questions:	March 6, 2023
Email notice of intention to bid to angela_s_mcintosh-davis@mcpsmd.org	March 10, 2023
Proposals due:	March 17, 2023, 2:00 p.m.
Notification of finalists, interviews to be held, if necessary, week of	April 3, 2023
Board Approval	May 11, 2023

All dates are subject to change at the discretion of MCPS.

15.0 COST PROPOSAL

Complete the cost proposal data sheet.

Cost Data Sheet

Firm: _____

Address: _____

We hereby agree to provide the requested actuarial consulting services as described in MCPS Request for Proposal 1139.5 as follows:

- Review and comment on July 1, 2022 Retirement and Pension valuation

- Review and comment on the July 1, 2022 OPEB Trust valuation

- Prepare the annual Pension Trust actuarial valuation for the plan year ending June 30, 2023
– fee not to exceed _____

- Prepare the annual OPEB Trust actuarial valuation for the plan year ending June 30, 2023– fee not to exceed _____
- Prepare projections of future employee pension contributions for the next six fiscal years, see attached. _____
- For on-going consulting services, the following rates will apply:

Type of Position (Title)	Hourly Rate
_____	_____
_____	_____
_____	_____
_____	_____

Rates should be included for all individuals who will be assigned to work with MCPS. On-going consulting service fees quoted will be used for the basis of evaluating with respect to tasks 3.1 through 3.8 outlined in Section 3.0 of this RFP, if any of those services are requested. Rates should be guaranteed for a minimum of two (2) years, subject to provisions of Section 5.0 of this RFP. All rates should be inclusive of travel, overhead and any other expenses.

16.0 ADDENDA/ERRATA

Changes and addenda to a solicitation may occur prior to the solicitation opening date and time. It is the bidder’s responsibility to check the MCPS website, under “Event Calendar” or contact the Division of Procurement at 240-740-7600 to verify if addenda/errata have been issued. Failure to provide the signed acknowledgement of the addenda/errata may result in a bid being deemed non-responsive. MCPS website is www.montgomeryschoolsmd.org/departments/procurement.

17.0 MULTI-AGENCY PARTICIPATION

MCPS reserves the right to extend the terms and conditions of this solicitation to any and all other agencies within the state of Maryland as well as any other federal, state, municipal, county, or local governmental agency under the jurisdiction of the United States and its territories. This shall include but not be limited to private schools, parochial schools, non-public schools such as charter schools, special districts, intermediate units, non-profit agencies providing services on behalf of government, and/or state, community and/or private colleges/universities that require these goods, commodities and/or services. Use of this solicitation by other agencies may be dependent on special local/state requirements attached to and made a part of the solicitation at time of contracting. The supplier/contractor agrees to notify the issuing agency of those entities that wish to use any contract resulting from this bid and will also provide usage information, which may be requested. A copy of the contract pricing and the bid requirements incorporated in this contract will be supplied to requesting agencies. Each participating jurisdiction or agency shall enter into its own contract with the Award Bidder(s) and this contract shall be binding only upon the principals signing such an agreement. Invoices shall be submitted “directly” to the

ordering jurisdiction for each unit purchased. Disputes over the execution of any contract shall be the responsibility of the participating jurisdiction or agency that entered into that contract. Disputes must be resolved solely between the participating agency and the Award Bidder. MCPS assumes no authority, liability, or obligation on behalf of any other public or non-public entity that may use any contract resulting from this bid. MCPS pricing *is* based on the specifications provided in this solicitation.

18.0 eMARYLAND MARKETPLACE

As of June 1, 2008 Maryland, law requires local and state agencies to post solicitations on eMaryland Marketplace. Registration with eMaryland Marketplace is free. It is recommended that any interested supplier register at www.eMarylandMarketplace.com, regardless of the award outcome for this procurement as it is a valuable resource for upcoming bid notifications for municipalities throughout Maryland.

19.0 UNNECESSARY ELABORATE BROCHURES

Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective proposal are not desired and may be construed as an indication of the offeror's lack of cost consciousness. Elaborate art work and expensive visual and other presentation aids are neither necessary nor wanted.

20.0 BID PROTESTS

Any bid protests, including appeals, will be governed by the applicable regulations of MCPS' Division of Procurement. The burden of production of all relevant evidence, data and documents and the burden of persuasion to support the protest is on the offeror making the protest.

21.0 CONTRACT

MCPS plans to enter a contractual agreement with Respondent(s) to whom the award is made and intends to make MCPS General Contract Articles, attached hereto and incorporated herein as Appendix A, part of the contractual agreement, except and unless modified by MCPS. In addition, the Contractor will ensure that all private duty nurses abide by the provisions of the MCPS General Contract Articles. Proposals must clearly identify any variances from or objections to the specifications in this RFP and the terms and conditions of the MCPS General Contract Articles. Lacking any response to the contrary, MCPS will infer that the Respondent agrees to the specifications of this RFP and each term and condition of the MCPS General Contract Articles. Respondents should note that any variance may provide a basis for MCPS to reject the proposal. **In particular, the provisions set forth in Articles 5, 12-14, 16-18, 21-24, 26, and 28 of the MCPS General Contract Articles are non-negotiable.**

22.0 NOTICE TO BIDDERS

The appropriate items below must be completed as part of the RFP. Failure to comply may disqualify your bid. Type or print legibly in ink.

I. BIDDER INFORMATION: As appropriate, check and/or complete one of the items below.

- 1. Legal name (as shown on your income tax return) _____
- 2. Business Name (if different from above) _____
- 3. Tax Identification Number _____

A copy of your W-9 must be submitted with this bid response.

II. BIDDER'S CONTACT INFORMATION: This will be filed as your permanent contact information.

- 1. Company Name _____
- 2. Address _____
- 3. Bid Representative's Name _____
- 4. Phone Number/Extension _____
- 5. Email Address _____

III. VENDOR'S CERTIFICATION: Upon notification of award, this document in its entirety is the awarded vendor's contract with MCPS. By signing below, the undersigned acknowledges that he/she is entering into a contract with MCPS.

- A. The undersigned proposes to furnish and deliver supplies, equipment, or services, in accordance with specifications and stipulations contained herein, and at the prices quoted. This certifies that this bid is made without any previous understanding, agreement or connection with any person, firm, or corporation making a bid for the same supplies, materials, or equipment, and is in all respects fair and without collusion or fraud.
- B. I hereby certify that I am authorized to sign for the bidder and that all statements, representations, and information provided in this response to the Request for Proposals, including but not limited to the Non-Debarment Acknowledgement, are accurate.

By (Signature) _____

Name and Title _____

Witness Name and Title _____