Invitation to Bid

STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
765 Asylum Street, HARTFORD, CT 06105
(860) 241-8402 Fax (860) 241-9295 www.ct.gov/trb

Form TRB1

Bid # TRB2009-02

Bid Description: Pension and OPEB Actuarial Services

Bid Due Date: December 23, 2008

1.Ethics summary & forms: http://www.ct.gov/ethics/lib/ethics/guides/contractors_guide_final08.pdf
a. Gift Certification **Form 1:** http://www.ct.gov/opm/lib/opm/finance/psa/opm_ethicsform1_103107.pdf
b. Annual Contract Certification **Form 5:** http://www.ct.gov/opm/lib/opm/finance/psa/opm_ethicsform5_103107.pdf
c. Consulting Agreement Affidavit **Form 6:** http://www.ct.gov/opm/lib/opm/finance/psa/opm_ethicsform6_103107.pdf
2. Executive Orders:
Executive Order No. Three (3); No. Seven C (7C); No. Sixteen (16); No. Seventeen (17); No. Fourteen (14): http://www.das.state.ct.us/purchase/Executive_Orders_new.pdf
No. Fourteen (14) Compliance policy: http://www.das.state.ct.us/Purchase/Epp/EPP_Policy_010408.pdf
3.State Contractor Contribution Ban:
Form SEEC 10: http://www.ct.gov/seec/lib/seec/seec_form_10_notice_to_state_contractors.pdf
Form SEEC 11: http://www.ct.gov/seec/lib/seec/attachment_c-seec_form_11_notice_to_executive_branch_state_contractors_3.20.07.pdf
4. Bidder information form (will be used if you are selected) *http://www.das.state.ct.us/Purchase/Info/Vendor_Authorization_and_Guidance_081106.pdf* *http://www.ct.gov/chro/lib/chro/pdf/notificationtobidders.pdf*
5. TRB HIPAA Business Associate Agreement: http://www.ct.gov/trb/lib/trb/formsandpubs/TRBBusinessAssoc_Committee.pdf
6. Required Contract Language: *http://www.das.state.ct.us/Purchase/Info/Form_Contract_AGENCY.pdf*
7. Contract Compliance Regulations: *http://www.ct.gov/chro/cwp/view.asp?a=2525&Q=326596&chroPNavCtr=|#46078*
Evaluation Criteria: *The State of Connecticut has a vested interest in finding the best services/products for the lowest cost.*
Signing this form will acknowledge your receipt of the above State of Connecticut contracting requirements. This form must be *Signed & Returned* with your bid by December 23, 2008.
_____ _____ Authorized Signature of Bidder Company Name Date

STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
765 ASYLUM AVENUE HARTFORD, CT 06105-2822
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"An Affirmative Action/Equal Opportunity Employer"
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REQUEST FOR PROPOSAL

FOR

PENSION AND OPEB ACTUARIAL SERVICES

TRB2009-02

REQUEST FOR PROPOSALS FOR PENSION AND HEALTH ACTUARIAL SERVICES

The Connecticut Teachers' Retirement Board (TRB) requests proposals for pension and health actuarial services from qualified actuarial firms. All responses are a matter of public record. All vendors submitting bids must be willing to comply with all the terms and conditions in the preapproved State of Connecticut contract under item 6 of the cover page. If you cannot, do not bother submitting a response.

OVERVIEW

*Cited. 116 C. 506: 136 C. 179. School laws demonstrate adoption of public policy to provide good public schools, staffed by qualified teachers; that these teachers shall be sure in their employment save for circumstances affecting the quality of their work; and that, as an inducement to, and reward for, a long period of service, qualified teachers shall benefit from a comprehensive retirement system.

The TRB is a governmental pension system with approximately 52,093 active teachers, 28,609 retired teachers and beneficiaries, and 465 persons receiving monthly survivor benefits. The retirement plan is a defined benefit plan funded by required teacher contributions, investment income and annual appropriations by the State of Connecticut.

The TRB sponsors two health insurance programs:

The TRB issues a subsidy up to $110 per member per month for a retired teacher (and spouse) who maintains health insurance coverage through the last employing board of education. There are approximately 17,200 retired members and spouses receiving this subsidy. In addition, certain eligible retired teachers (and spouses) benefit from a subsidy of $220 per member per month if they meet the following eligibility requirements: 1) must be age 65 or over, 2) not eligible for Medicare Part A without paying a premium, and, 3) must contribute a minimum of $220 per member per month towards the single person cost for medical insurance (excluding dental coverage) maintained with the retiree's last employing board of education . The State

appropriates one-third of the cost for the subsidy program and the remainder of the subsidy comes from the Health Insurance Premium Account.

The TRB sponsors a self-insured health insurance program which supplements Medicare Parts A and B of Medicare inclusive of a prescription drug program, subsidized by the federal government. The TRB health plan participant (retired teacher or spouse) pays one-third of the premium, the State of CT pays one-third of the premium and one-third of the premium comes from the Health Insurance Premium Account. Currently, there are approximately 15,000 participants of the TRB health insurance program as of September 2008.

SCOPE

Regular Services

1. Preparation and presentation of the actuarial valuation report based on data for the fiscal year ending June 30, 2010, at the following November 2010 Board meeting.

2. Preparation and written submittal of interim actuarial valuation report based on data for the fiscal year ending June 30, 2011.

3. Calculation and presentation of the annual interest rate to be credited to member's regular and supplemental accounts and investment or market rate of return to be applied to member's voluntary accounts.

4. Preparation and presentation of the experience study based on the June 30, 2010 data. Make recommendations to Board regarding assumptions adopted by the Board, i.e. service credit purchase factors, fixed lifetime annuity rates, Plan C and D factors, ERIP service credit purchase factors, etc.

5. Preparation and written submittal of annual OPEB report and actuarial attestation for TRB's RDS application in September/ October of each year.

6. Advise the Board with regard to the costs involved in proposed legislative changes to the Plan. (maximum two per year, during the legislative session)

B. Special Assignments:

. Consulting on matters within the purview of the Board's responsibilities

. Other related assignments

C. Timetable for Selection Process

The expected timetable for the vendor selection process is as follows:

Activity	Due Date
Bid Notice Published	November 18, 2008
Due Dates for Proposals	December 23, 2008
Finalist Presentations	January 15th, 2009
Selection of Vendor	January 28th, 2009
Contract Effective Date	April 1, 2009

D. Proposal Parameters

- The proposal should be effective April 1, 2009 and the terms should be valid through March 31, 2012.

- Please refer to Appendix A for instructions to bidders and other pertinent information.

- Proposals are due at the TRB by noon on Tuesday, December 23, 2008.

- All packages containing proposals must be clearly marked on the outside with the firm's name and address.

- Please send 5 hard copies to:

Connecticut State Teachers' Retirement Board
Attention: Ms. Darlene Perez, Administrator
765 Asylum Avenue, 2nd Floor
Hartford, Connecticut 06105

Proposals received after that time will not be considered.

Questions regarding this proposal should be addressed to Darlene Perez at darlene.perez@ct.gov . All answers to questions regarding this RFP will be posted as an addendum.

E. Confidential Information

Proposers are advised not to include in their proposals any proprietary information. The Connecticut Freedom of Information Act generally requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption. An example of an exemption is a "trade secret," as defined by statute (C.G.S. § 1-19(b)(5)). If the information is not readily available to the public from other sources and the Proposer submitting the information requests confidentiality, then the information generally is considered to be "given in confidence." Confidential information must be isolated from other material in the proposal and labeled CONFIDENTIAL.

C. Providing Data

TRB will provide the actuary with electronic files that contain demographic and financial data for those members in pay status as of June 30th of each year as well as financial and demographic information for those members who are actively contributing to the plan as well as inactive plan participants who have funds on deposit with TRB as of June 30th

Data for those members receiving benefits will be available on or about June 30th of each year.

TRB will provide the actuary with electronic files each January and June of the COLA increases granted to post - August 1, 1992 retirees in order to determine the amounts to be transferred from the Excess Earnings Account.

III. RESPONSE REQUIREMENTS

The bidder's response package, as a minimum, must include the following:

A. The firm's name, home office address, address of the office providing the services under the contract, and telephone numbers of each location

B. General description of the firm, including size, number of employees, primary business (consulting, pension planning, insurance, etc.), other business or services, type of organization (franchise, corporation, partnership, etc.) and other descriptive material

C. Summary information regarding the professional and experience qualifications of supervising and support personnel who shall perform work under the contract

D. Description of the computer equipment and a statement as to the ownership and location of this equipment which will be utilized in the performance of the contract

E. Statement of the availability and location of staff (including actuaries) and other necessary resources for performing all services and providing deliverables within the time frames required

H. Identification of subcontractors, if any, to be used, the work they will be providing, and their qualifications

I. Statement of the firm's ability to perform pricing analysis of proposed legislation, complete with actuarial certificate showing assumptions, pricing base, actuarial implications on the total program, cost, and alternative funding techniques

J. List of public employee retirement systems for which the firm currently provides actuarial consulting services (included in the services performed must be the review of the System's interest rate assumption on investments and a resulting recommendation), including the system name, approximate number of participants and number of years the firm has been retained. For three major public employee retirement systems included on the list (each involving 3,000 or more participants), provide the address, telephone number, name and title of person(s) responsible for the administration of the system.

K. Description of the bidder's understanding of the work to be performed and the time frames associated with the valuation.

L. Submit the total fixed fee that you will charge for each task listed in Section II. A. above in a stand-alone assignment, or if appropriate an hourly rate for each person who might be involved in that task together with your estimate of the time that might be required.

M. Identification and brief description of any current relationships with any organization that could be a conflict with services performed for this System.

http://www.ct.gov/opm/lib/opm/finance/psa/opm_ethicsform1_103107.pdf

N. Complete description of the CHRO form can be found at the following hyperlink:
http://www.ct.gov/chro/lib/chro/pdf/notificationtobidders.pdf
This form is a requirement to determine the bidder's employment of minorities and women, a description of the bidder's utilization of minority and women-owned contractors and suppliers, together with a description of the firm's equal opportunity and affirmative action efforts.

In addition to the above requirements, the bidder is encouraged to include other experience, factors, or strengths, which would assist the State Teachers' Retirement Board in assessing the firm's ability to meet the System's needs.

APPENDIX A

BIDDERS' INSTRUCTIONS

A. Presentations

Some bidders may be asked to give presentations and/or further explanations relative to their response to this RFP. In addition, the vendor awarded the contract may be required to make a presentation to the extent necessary to satisfy the Teachers' Retirement Board's requirements or needs.

B. Other Instructions

1. RESPONSE FORMAT

Questions should be answered according to the format of this RFP. Unanswered questions will be interpreted as negative answers.

2. CONFORMANCE TO INSTRUCTIONS

All responses to this RFP must conform to these instructions. Failure to follow the requested format maybe considered appropriate cause for rejection of the response.

3. SEALED BIDS

Bids must be submitted in a sealed envelope or carton, clearly marked with the appropriate project number, date, time of bid opening, and name and address of the bidder. Telegraphic and telephonic bids will not be accepted under any circumstance.

4. NUMBER AND SUBMISSION OF BIDS

Bids may be mailed or delivered in person according to the instructions in Item D., Section I of this RFP. Late bids will not be accepted and will be returned unopened to the bidder. Extensions will not be granted.

5. BID CLOSING DATE

Bids must be received and stamped not later than noon on Tuesday, December 23, 2008.

6. BIDDERS' PRICE

Bidders are required to submit a separate price for the work described in Section II. above. An hourly rate and an estimate of the time required may be substituted at the bidder's option, subject to the Board's concurrence that a fixed price is not feasible.

7. TAXES

The Teachers' Retirement Board is exempt from the payment of excise, transportation and sales taxes imposed by the Federal Government and/or the state. Such taxes must not be included in prices.

8. AUTHORIZED SIGNATURES

The proposal must be signed by an authorized official. The proposal must also provide the name, title, address and telephone number of individuals with authority to bind the company, and for those who may be contacted for the purpose of clarifying the information provided. A duly executed corporate resolution must be submitted as evidence of authorization to bind the company.

C. <u>Terms and Conditions</u>

1. RIGHTS RESERVED TO THE TEACHERS' RETIREMENT BOARD

The Teachers' Retirement Board reserves the right to award in part, to reject any and all Proposals in whole or in part, to waive technical defects, irregularities and omissions if, in its judgment, the best interests of the Board will be served.

2. CONFORMANCE WITH STATUTES

Administration of the Connecticut State Teachers' Retirement Board is governed by Connecticut General Statutes, Chapter 167a. Any contract awarded as a result of this RFP must be in full conformance with statutory requirements of the State of Connecticut and the Federal Government.

3. OWNERSHIP OF PROPOSALS

All proposals in response to this RFP are to be the sole property of the Teachers' Retirement Board, and subject to the provisions of Section 1-19 of the Connecticut General Statutes (The Freedom of Information Act).

4. OWNERSHIP OF SUBSEQUENT PRODUCTS

Any product, whether acceptable or unacceptable, developed under a contract awarded as a result of this RFP is to be the sole property of the Teachers' Retirement Board unless stated otherwise in the RFP or contract.

5. TERM AND RENEWAL

The Teachers' Retirement Board seeks an initial contract period of three years, from April 1, 2009 through March 31, 2012. After the initial period expires, the Board retains the option to renew the contract on a year-to-year basis.

6. STABILITY OF PROPOSED PRICES

Any price offerings from vendors must be valid for a period of 120 days from the due date of vendor Proposals.

7. ORAL AGREEMENTS

Any alleged oral agreement or arrangement made by a vendor with any agency or employee will be superseded by the written agreement.

8. AMENDING OR CANCELING REQUESTS

The Teachers' Retirement Board reserves the right to amend or cancel this RFP, prior to the due date and time, if it is in the best interests of the Board.

9. REJECTION FOR DEFAULT OR MISREPRESENTATION

The Teachers' Retirement Board reserves the right to reject the Proposal of any vendor which is in default of any prior contract or for misrepresentation.

10. TRB CLERICAL ERRORS IN AWARDS

The Teachers' Retirement Board reserves the right to correct inaccurate awards resulting from its clerical errors.

11. REJECTION OF QUALIFIED PROPOSALS

Proposals are subject to rejection in whole or in part if they limit or modify any of the terms and conditions and/or specifications of the RFP.

12. VENDOR PRESENTATION OF SUPPORTING EVIDENCE

A vendor, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily, meet the requirements set forth or implied in the Proposal.

13. CHANGES TO PROPOSAL

No additions or changes to the original Proposal will be allowed after submittal. While changes are not permitted, clarification at the request of the Board may be required at the bidder's expense.

14. COLLUSION

By responding, the vendor implicitly states that the Proposal is not made in connection with any competing vendor submitting a separate response to the RFP, and is in al l respects fair and without collusion or fraud. It is further implied that the vendor did not participate in the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no employee of the Board participated directly or indirectly in the vendor's proposal preparation.

15. JOINT VENTURES

Several organizations may cooperate to submit a single proposal under which different organizations would fulfill different requirements, with one entity maintaining overall administrative responsibility.

16. SUBLETTING OR ASSIGNING OR CONTRACT

The contract or any portion thereof, or the work provided for therein, or the right, title, or interest of the contractor therein may not be sublet, sold, transferred, assigned or otherwise disposed of to any person, firm, or corporation without the written consent of the Board.

No person, firm or corporation other than the vendor to whom the project is awarded shall be permitted to commence work on the project unless such consent has been granted.

17. DOCUMENTS OF THE CONTRACT

Once a contract is awarded to the successful bidder, it is agreed, acknowledged, and accepted by the parties, that the original RFP and its amendments; and the bidder's Proposal, along with any supporting documents, exhibits, etc.; shall become part of the contract award by reference since such documents clarify the intent and range of the Board's request, and establishes the qualifications, obligations, and responsibility of the contractor, i.e., the "successful bidder."

18. CONTRACT COMPLIANCE REPORTING

No proposal will be considered valid unless the CHRO, Contract Compliance Reporting Requirement, has been completed by the bidder and included with the bidder's proposal package.

19. SCORING OF PROPOSALS, AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Bidders are advised that in addition to evaluating their qualification, experience, and capabilities; competitiveness of cost; and conformance to the RFP specification; weight will also be given to bidders who may qualify toward assisting the Board in meeting its Small Business Set-Aside goals, and to bidders who demonstrate a commitment to affirmative action by full compliance with CHRO regulations.

20. DISCRIMINATION AND LABOR RECRUITMENT

This project shall be subject to the Executive Orders No. Three and Seventeen, promulgated June 16, 1971 and February 15, 1973, and to the Guidelines and Rules of the State

Labor Commissioner implementing Executive Order No. Three and further agree to submit reports of compliance staffing on Labor Department Form E.O. 3-1, when and as required.

21. TERMINATION OR CONTRACTS AND CONTRACTOR LIABILITY

Contract awards generated as a result of this RFP may be terminated:

A. By mutual agreement of the contracting parties to terminate, specifying the effective date and the terms of termination.

B. By the Teachers' Retirement Board for cause, should the contractor fail to fulfill in a timely and proper manner the obligations under this contract, or if the contractor shall violate any of the covenants, agreements, or stipulations of this contract. The Board shall thereupon have the right to terminate this contract by giving written notice to the contractor of such termination and specifying the effective date thereof, at least 30 days before the effective date of such termination. In such event, and if progress payments have been made to the contractor, all finished or unfinished documents, data, studies, and reports prepared by the contractor under this contract shall become the property of the Teachers' Retirement Board.

Notwithstanding the above, the contractor shall not be relieved of liability to the Teachers' Retirement Board for damages sustained by the Board by virtue of any breach of the contract by the contractor, and the Board may withhold any payments to the contractor for the purpose of set-off until such time as the exact amount of damages due to the Board from the Contractor is determined.

22. COST FOR PROPOSAL PREPARATION

Any costs incurred by proposing contractors in preparing or submitting proposals are the proposing contractor's sole responsibility; the Board will not reimburse any proposing contractor for any costs incurred prior to the award.

23. PAYMENTS AGAINST A CONTRACT AWARD

Under no circumstances shall a selected contractor begin to provide contractual services to the Teachers' Retirement Board prior to the start date indicated in an official, complete, and fully signed contract award document.

In no case shall a contractor bill the Teachers' Retirement Board amounts in excess of the amount(s) indicated in the original contract award agreement. Any authorized or agreed additional charges can only be approved for payment against a properly executed and signed Contract Award Amendment.

Contractors will be paid in accordance with contract award amount(s) upon satisfactory completion of the contract, or in accordance with a specified progress payment schedule if applicable.