

**REQUEST FOR PROPOSALS**  
**Actuarial Consulting Services**  
*RFP Issue Date: Tuesday, September 20, 2022*  
*RFP Due Date: Tuesday, October 11, 2022*

The Board Members of **The City of Washington Combined Pension Fund** are requesting proposals from qualified professional vendors for Actuarial Consulting Services including, but not limited to, actuarial and administrative support. The Combined Plan includes assets invested on behalf of the Police, Firefighters, and Officers & Employees' defined benefit pension plans.

**Proposals must be received by Tuesday, October 11, 2022.** Please email your firm's Proposal to the person below. Any questions pertaining to this Request for Proposal are to be emailed to the Pension Coordinator below:

**Carla Outcalt, Pension Coordinator**  
**City of Washington Combined Pension Fund**  
**55 West Maiden Street**  
**Washington, PA 15301**  
[COutcalt@cityofwashington.comcastbiz.net](mailto:COutcalt@cityofwashington.comcastbiz.net)

**All applicants must provide the following documents by the due date listed above:**

- Answers to the Applicant Questions on page 3
- A completed Act 44 Standard Disclosure Form
- A draft actuary advisory services contract

If deemed necessary by the Board, applicants may be selected for interview. Each applicant selected for an interview will be allotted sufficient time to orally present its proposal and to answer any questions that may be posed by the person(s) appointed by the Board to interview bidders.

The Board reserves the right to make an award without interviews of the applicants. Therefore, the proposals should be submitted on the most favorable terms of both price and technical approach. The Board also reserves the right to reject at its sole discretion any and all proposals received, and the Board shall have sole discretion in selecting the proposal that best meets the Board's needs.

All applicants are required to complete the Pennsylvania Act 44 of 2009 disclosure form attached to this RFP.

## **MINIMUM CRITERIA CERTIFICATION**

By responding to this RFP, applicants certify that they meet the following minimum criteria:

1. The firm is a professional actuarial firm that provides actuarial valuations, experience investigations, and pension consulting services.
2. The principal actuary who will be responsible for the plan is an Enrolled Actuary and is certified to perform actuarial services under Pennsylvania Act 205.
3. The firm must provide actuarial services to at least 3 Pennsylvania municipalities.

## **SCOPE OF WORK**

Applicants must be able to provide comprehensive actuarial consulting services related to each of the components for which they are submitting a proposal, but not limited to:

1. Prepare the actuarial valuation reports as of January 1 of each odd-numbered year. These reports include benefit information on all members in the plans, as well as plan funding information. The valuation process should include a review of the actuarial assumptions as well as the plan's overall condition.
2. Prepare the Act 205 forms to be submitted to the Public Employee Retirement Commission every other year.
3. Prepare annual benefit statements showing benefit information for each member of the combined plans.
4. Determine the minimum municipal obligation (MMO) required by Act 205 to be submitted to the governing body by September 30<sup>th</sup> of each year.
5. Assist the City in determining pension benefits for retired and terminated members.
6. Provide assistance and attend meetings as required or requested by the Board to review the plans' actuarial status.

## APPLICANT QUESTIONS

### **Organization and Ownership**

1. Confirm that your firm meets the minimum criteria and scope of work capabilities on page 2.
2. Where is the firm located (include headquarters and satellite offices)? Provide a brief firm history and the year it was founded.
3. What is the firm's ownership structure? Have there been any significant changes in the ownerships structure during the last five years?
4. Provide a brief description within the last five years of any past or pending regulatory action, litigation or other legal proceedings involving the firm or its employees?
5. Does your firm carry professional liability or any other relevant insurance? If so, please describe the insurer and type of insurance coverage, the beneficiary of such coverage, limitations of such coverage, and the deductible amount under coverage. The rewarding firm will be required to provide a current certificate of insurance confirming that such coverage is currently in place.
6. Does your firm provide other services that would conflict with unbiased advice, such as providing Investment Advisory, Brokerage, and Custodial Services? If so, please clarify why this would not be a conflict.

### **Actuarial Team**

7. Identify the principal actuary and the number of years of experience with Pennsylvania municipal pension plans. Indicate the number of Pennsylvania municipal pension plans for which the principal actuary has primary client responsibility.
8. Identify other actuaries employed by the actuarial consulting form who are certified to perform actuarial services under Pennsylvania Act 205 and the number of years of experience with Pennsylvania municipal pension plans.
9. Provide the number of actuarial support staff who perform actuarial calculations for Pennsylvania municipal pension plans.

### **Actuarial Fees**

10. Provide a comprehensive fee proposal for the services outlined in the 'scope of work' section. Does this fee represent a discount from your standard fee schedule? If so, by how much and why? Is this fee guaranteed for a specific period of time?

### **Client Base**

11. Provide a representative list of Pennsylvania municipal clients similar to the City of Washington.
12. Provide three (3) current government defined benefit pension plan references in your client base and related contact information (name, title, and telephone number).

## ACT 44 DISCLOSURE FORM

### THE CITY OF WASHINGTON COMBINED PENSION FUND

**LIST OF MUNICIPAL OFFICIALS & EMPLOYEES OF THE REQUESTING MUNICIPAL ENTITY**

**APPLICANTS:** Certain questions on this Disclosure Form will refer to a *“List of Municipal Officials”*. To assist you in preparing your answers, you should consider the following names to be a complete list of pension system and municipal officials and relevant employees.

**MUNICIPALITY:** Enter below, a list of municipal officials that have any involvement in the administration or management of the pension system – Elected Officials, Appointed Officials and Employees, Board Members, or other Pension Committee Members (if applicable). Do not include employees that are not in a management position or serve on a pension committee or in a decision-making position relative to this pension system. If a category listed below is not applicable, so state.

| Elected Officials:                |                       |                |                     |
|-----------------------------------|-----------------------|----------------|---------------------|
| Name:                             | Title:                | Name:          | Title:              |
| Scott Putnam                      | Mayor                 | Tony Nicolella | Treasurer           |
| Joe DeThomas                      | Councilperson         | Andrew Callan  | Councilperson       |
| Ken Wescott                       | Councilperson         | Joe Pintola    | Councilperson       |
| Nicholas Dubina                   | Controller            |                |                     |
|                                   |                       |                |                     |
| Employees or Appointed Officials: |                       |                |                     |
| Name:                             | Title:                | Name:          | Title:              |
| Mike Cain                         | Police Representative | Carla Outcalt  | Pension Coordinator |
| Mike Scott                        | Fire Representative   |                |                     |

#### APPLICANT STANDARD DISCLOSURE QUESTIONS

**APPLICANT INSTRUCTIONS:** In accordance with Chapter 7-A of Act 44, 2009, ALL applicants responding to this RFP must complete the following Standard Disclosure Form Questions.

1. Initial each question (except **Q1:**) to provide your response in the space provided to the right of each question.
2. **THEN:** provide explanations for all *“Yes”* or *“Applies”* responses **AND**, the information requested in **Q1: (mandatory)**, on a separate sheet(s) of paper with the question you are responding to clearly noted. Attach your response sheet to this Disclosure Form.

Required Act 44 Professional Services Contract Disclosure Information:

In accordance with Pennsylvania Act 44 of 2009, all Professional Services Contracts must disclose the following information in their Request for Proposal (RFP) response documents. All potential vendors should refer to PA Act 44 of 2009 and become familiar with their procedures and disclosures and then adhere to these standards throughout the RFP process.

1. Disclose the names and titles of each individual who will be providing professional services to the municipal pension system, including advisors or subcontractors and a description of the responsibilities of each individual and their resumes (as an exhibit).

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For any individual listed above:

a. Is the individual(s) listed above a current or former official or employee of the municipality entering into the contract: \_\_\_\_\_(No), If Yes, please explain below.

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b. Is the individual(s) listed above a registered Federal or State lobbyist: \_\_\_\_\_(No), If Yes, please explain below:

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2. Disclose the terms employment/compensation of any third-party intermediary agent or lobbyist who will directly or indirectly communicate with a municipal pension system official(s) or employee(s) in connection with any investment transaction involving the potential vendor and the municipal pension system. \_\_\_\_\_ (not applicable), If applicable, please explain below:

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3. Disclose any person that enters into a professional services contract with a municipal pension system that has a direct financial, commercial, or business relationship with any of the municipal pension system officers or employees which controls the municipal pension system.

\_\_\_\_\_ (not applicable), If applicable, please explain:

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4. Disclose any apparent, potential or actual conflicts of interest of any person or entity who potentially enters into, or applies for, submits an offer or bid for, responds to a request for, or otherwise solicits, a proposal or a contract with the municipal pension system.

\_\_\_\_\_ (not applicable), If applicable, please explain:

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5. Disclose all contributions (political contributions and gifts) to which all of the following apply:

- a. A contribution was made after the Act's December 18, 2009 effective date.
- b. A contribution was made by an officer, director, executive-level employee, or owner of at least 5% of the potential vendor.
- c. The amount of the contribution was at least \$500 in aggregate.
- d. The contribution was made to a candidate for any public office serving in the Commonwealth of Pennsylvania or to an individual who holds that office.
- e. The contribution was made to a political committee of a candidate for public office in the Commonwealth or to an individual who holds that office.

\_\_\_\_\_ (not applicable), If applicable, please list the name and address of the contributor, the contributor's relationship to the potential vendor, the name, office and position of each person receiving a contribution, the amount of the contribution, and any gifts to an official or employee of the municipal pension system:

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**APPLICANT VERIFICATION**

I, \_\_\_\_\_, hereby state that I am the \_\_\_\_\_  
for (Name) (Position)

\_\_\_\_\_ and I am authorized to make this verification.  
(Contractor / Company Name)

I hereby verify that the facts set forth in the foregoing Act 44 Disclosure Form for RFP Applicants seeking to provide Professional Services to the City of Washington Combined Pension Fund are true and correct to the best of my knowledge, information and belief. I also understand that knowingly making material misstatements or omissions in this form could subject the responding **Applicant** to the penalties in Section 705-A (e) of Act 44.

I understand that false statements herein are made subject to the penalties of 18 P.A.C.S. § 4904 relating to unsworn falsification to authorities.

\_\_\_\_\_  
Signature Date

**DEFINITIONS FOR THIS DISCLOSURE FORM**

| TERM:   | DEFINITION:   |
|---|---|
| <p><b>CONTRACTOR</b><br/>(ALSO – “APPLICANT”)</p> | <p>Any person, company, or other entity that receives payments, fees, or any other form of compensation from a municipal pension system in exchange for rendering professional services for the benefit of the municipal pension system.<br/><b><u>This term shall also Apply</u></b> to any Applicant who solicits, applies for, or responds to a Request for Proposal for the purpose of gaining a professional services contract.</p>  |
| <p><b>SUBCONTRACTOR OR ADVISOR</b></p>            | <p>Anyone who is paid a fee or receives compensation from a municipal pension system – directly or indirectly from or through a contractor.</p>   |
| <p><b>AFFILIATED ENTITY</b></p>                   | <p>Any of the following:</p> <ol style="list-style-type: none"> <li>1. A subsidiary or holding company of a lobbying firm or other business entity owned in whole or in part by a lobbying firm.</li> <li>2. An organization recognized by the Internal Revenue Service as a tax-exempt organization under section 501(c) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501 (c) established by a lobbyist or lobbying firm or an affiliated entity.</li> </ol> |
| <p><b>CONTRIBUTIONS</b></p>                       | <p>As defined in section 1621 of the act of June 3<sup>rd</sup>, 1937 (P.L. 1333, No. 320), known as the Pennsylvania Election Code.</p>  |
| <p><b>POLITICAL COMMITTEE</b></p>                 | <p>As defined in section 1621 of the act of June 3<sup>rd</sup>, 1937 (P.L. 1333, No. 320), known as the Pennsylvania Election Code.</p>  |



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| <p><b>EXECUTIVE LEVEL EMPLOYEE</b></p>  | <p><b><u>ANY</u> employee or person or the person’s affiliated entity who:</b></p> <ol style="list-style-type: none"> <li>1. Can affect or influence the outcome of the person’s or affiliated entity’s actions, policies, or decisions relating to pensions and the conduct of business with a municipality or a municipal pension system; or</li> <li>2. Is directly involved in the implementation or development policies relating to pensions, investments, contracts or procurement or the conduct of business with a municipality or municipal pension system.</li> </ol> |
| <p><b>MUNICIPAL PENSION SYSTEM</b></p>  | <p>Any qualifying pension plan, under Pennsylvania state law, for any municipality within the Commonwealth of Pennsylvania; includes the Pennsylvania Municipal Retirement System.</p> <p><i>Example: The Combined Pension Plan for the City of Washington.</i></p>  |
| <p><b>MUNICIPAL PENSION SYSTEM OFFICIALS AND EMPLOYEES;<br/>MUNICIPAL OFFICIALS AND EMPLOYEES</b></p> | <p><b><u>Specifically</u></b>, those listed in the preceding section titled: “<b>List of Municipal Officials &amp; Employees for the Requesting Municipality:</b>” and / or whenever applicable, may include <u>any</u> employee of the <b>Requesting Municipality</b>.</p>  |
| <p><b>PROFESSIONAL SERVICES CONTRACT</b></p>  | <p>A contract to which the municipal pension system is a party to that is: (1) for the purchase of professional services including investment services, legal services, real estate services, and other consulting services; and, (2) not subject to a requirement that the lowest bid be accepted.</p>  |