

**FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
REQUEST FOR QUOTATION**

**ACTUARIAL AUDIT**

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**Issue Date: June 30, 2021**

**Closing Date: July 28, 2021 AT 2:00 P.M. Pacific**

**All Questions and Responses must be electronically submitted to Debbie  
Paolinelli**

**For assistance, contact Debbie Paolinelli at (559) 457-4402**

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***BIDDER TO COMPLETE***

**Undersigned agrees to furnish the services stipulated in the attached at the prices and terms  
stated in this RFQ.**

**Bid must be signed and dated by an authorized officer or employee.**

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COMPANY

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CONTACT PERSON

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ADDRESS

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CITY

STATE

ZIP CODE

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( )

TELEPHONE NUMBER

E-MAIL ADDRESS

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AUTHORIZED SIGNATURE

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PRINT NAME

TITLE

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## KEY DATES

Request for Quotation (RFQ) issued:	June 30, 2021
Deadline to submit Questions on Content:	July 14, 2021 at 2:00 PM Pacific
Posting of Answers to Questions:	July 21, 2021 at 5:00 PM Pacific
Proposal Submission Due Date:	July 28, 2021 at 2:00 PM Pacific
Finalist Board Presentations & Selection:	September 1, 2021
Estimated Contract Commencement:	October 2021

## OVERVIEW

This Request for Quotation (RFQ) is issued by the Fresno County Employees' Retirement Association (FCERA) for the purpose of soliciting bids from qualified actuarial firms to provide actuarial auditing services to the FCERA Board and FCERA staff. It is FCERA's intent to obtain the services of one firm for actuarial auditing services. FCERA has engaged The Segal Company for actuarial consulting services through FCERA'S June 30, 2021 actuarial valuation.

FCERA is a cost-sharing, multiple-employer, defined benefit pension plan covering the employees of the County of Fresno and other participating agencies pursuant to the County Employees Retirement Law of 1937, California Government Code Section 31450, et seq. and the California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government code Sections 7522-7522.74. FCERA operates as an independent governmental entity separate and distinct from the County of Fresno.

## BID INSTRUCTIONS

- Bidders must electronically submit bid package in pdf format, no later than the quotation closing date and time as stated on the front of this document, to [dpaolinelli@fresnocountyca.gov](mailto:dpaolinelli@fresnocountyca.gov)
- Bids received after the closing time will NOT be considered
- All quotations shall remain firm for 120 days.
- Interpretation: Should any discrepancies or omissions be found in the bid specifications or doubt as to their meaning, the bidder shall notify FCERA in writing at once. FCERA shall not be held responsible for verbal interpretations. Questions regarding the bid must be received by FCERA prior to the date and time stated within this document. All addenda issued shall be in writing, duly issued by FCERA and incorporated into the contract.

## GENERAL REQUIREMENTS & CONDITIONS

**DEFINITIONS:** The terms Bidder, Proposer, Contractor and Vendor are all used interchangeably and refer to that person, partnership, corporation, organization, agency, etc. which is offering the quotation and is identified on page one of this Request For Quotation (RFQ).

**INTERPRETATION OF RFQ:** Vendors must make careful examination of the requirements, specifications and conditions expressed in the RFQ and fully inform themselves as to the quality and character of services required. If any person planning to submit a quotation finds discrepancies in or omissions from the RFQ or has any doubt as to the true meaning or interpretation, correction thereof may be requested in writing from FCERA by July 14, 2021 at 2:00 PM Pacific. NOTE: Protocols will prevent FCERA from responding to questions submitted

after the deadline. Any change in the Request for Quotation will be made by written addendum issued by the FCERA on or before July 21, 2021 at 5:00 PM Pacific. FCERA will not be responsible for any other explanations or interpretations.

**AWARD:** Award will be made to the vendor(s) offering the services, prices, and delivery, deemed to be to the best advantage of the FCERA. Past performance (FCERA contracts within the past seven years) and references may factor into awarding of a contract. FCERA shall be the sole judge in making such determination. Award Notices are tentative: Acceptance of an offer made in response to this RFQ shall occur only upon execution of an agreement by both parties.

**RIGHT TO REJECT BIDS:** FCERA reserves the right to reject any and all bids and to waive informalities or irregularities in bids. Failure to respond to all questions or not to supply the requested information could result in rejection of your quotation.

**CODES AND REGULATIONS:** All work and material are to conform to all applicable Federal, State, local and special district building codes, laws, ordinances, and regulations.

**TAXES:** The quoted amount must include all applicable taxes. If taxes are not specifically identified in the quotation it will be assumed that they are included in the total quoted.

**SALES TAX:** FCERA pays California State Sales Tax, where applicable, in the amount of 7.975% regardless of vendor's place of doing business.

**MINOR DEVIATIONS:** FCERA reserves the right to negotiate minor deviations from the prescribed terms, conditions and requirements with the selected vendor.

**BIDDERS' LIABILITIES:** FCERA will not be held liable for any cost incurred by vendors in responding to the RFQ.

**PRICE RESPONSIBILITY:** The selected vendor will be required to assume full responsibility for all services and activities offered in the quotation, whether or not they are provided directly. Further, the FCERA will consider the selected vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract. The contractor may not subcontract or transfer the contract, or any right or obligation arising out of the contract, without first having obtained the express written consent of the FCERA.

**PRICES:** Bidder agrees that prices quoted are for the contract period, and in the event of a price decline such lower prices shall be extended to FCERA.

**CONFIDENTIALITY:** Bidders shall not disclose information about the FCERA's business or business practices and safeguard confidential data which vendor staff may have access to in the course of service.

**HIPAA:** All services performed by vendor shall be in strict conformance with all applicable Federal, State of California and/or local laws and regulations relating to confidentiality, including but not limited to, California Civil Code, California Welfare and Institutions Code, Health and Safety Code, California Code of Regulations, Code of Federal Regulations.

**NEWS RELEASE:** Vendors shall not issue any news releases or otherwise release information to any third party about this RFQ or the vendor's quotation without prior written approval from FCERA.

**BACKGROUND REVIEW:** FCERA reserves the right to conduct a background inquiry of each proposer/bidder which may include collection of appropriate criminal history information, contractual and business associations and practices, employment histories and reputation in the

business community. By submitting a quotation/bid to FCERA, the vendor consents to such an inquiry and agrees to make available to FCERA such books and records FCERA deems necessary to conduct the inquiry.

**ADDENDA:** In the event that it becomes necessary to revise any part of this RFQ, addenda will be provided to all agencies and organizations that receive the basic RFQ.

**CONFLICT OF INTEREST:** FCERA shall not contract with, and shall reject any bid or quotation submitted by the persons or entities specified below, unless the Board of Retirement finds that special circumstances exist which justify the approval of such contract: 1. Employees of the FCERA. 2. Profit-making firms or businesses in which employees described in Subsection (1) serve as officers, principals, partners or major shareholders. 3. Persons who, within the immediately preceding twelve (12) months, came within the provisions of Subsection (1), and who were employees in positions of substantial responsibility in the area of service to be performed by the contract, or participated in any way in developing the contract or its service specifications. 4. Profit-making firms or businesses in which the former employees described in Subsection (3) serve as officers, principals, partners or major shareholders. No FCERA employee whose position at FCERA enables them to influence the selection of a contractor for this RFQ, or any competing RFQ, and no spouse or economic dependent of such employee, shall be employees in any capacity by a bidder, or have any other direct or indirect financial interest in the selection of a contractor.

**INVOICING:** All invoices are to be delivered to Fresno County Employees' Retirement Association, 7772 N. Palm Ave., Fresno, CA 93711

**PAYMENT:** Upon satisfactory completion of work, specified herein and approval by FCERA, payment will be made in full. Terms of payment will be net forty-five (45) days

**CONTRACT TERM:** It is FCERA's intent to contract with the successful bidder for a term of no more than one (1) year.

**TERMINATION:** FCERA reserves the right to terminate any resulting contract upon written notice. Contract will automatically terminate after satisfactory completion of work and final payment.

**INDEPENDENT CONTRACTOR:** In performance of the work, duties, and obligations assumed by Contractor under any ensuing Agreement, it is mutually understood and agreed that CONTRACTOR, including any and all of Contractor's officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the FCERA. Furthermore, FCERA shall have no right to control or supervise or direct the manner or method by which Contractor shall perform its work and function. However, FCERA shall retain the right to administer this Agreement so as to verify that Contractor is performing its obligations in accordance with the terms and conditions thereof. Contractor and FCERA shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof. Because of its status as an independent contractor, Contractor shall have absolutely no right to employment rights and benefits available to FCERA employees. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, Contractor shall be solely responsible and save FCERA harmless from all matters relating to payment of Contractor's employees, including compliance with Social Security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of the Agreement, Contractor may be providing services to others unrelated to the FCERA or to the Agreement.

**SELF-DEALING TRANSACTION DISCLOSURE:** Contractor agrees that when operating as a corporation (a for-profit or non-profit corporation), or if during the term of the agreement the Contractor changes its status to operate as a corporation, members of the Contractor's Board of Directors shall disclose any self-dealing transactions that they are a party to while Contractor is providing goods or performing services under the agreement with the FCERA. A self-dealing transaction shall mean a transaction to which the Contractor is a party and in which one or more of its directors has a material financial interest.

**HOLD HARMLESS CLAUSE:** Contractor agrees to indemnify, save, hold harmless and at FCERA's request, defend FCERA, its officers, agents and employees, from any and all costs and expenses (including attorney's fees and costs), damages, liabilities, claims and losses occurring or resulting to FCERA in connection with the performance, or failure to perform, by Contractor, its officers, agents or employees under this Agreement and from any and all costs and expenses (including attorney's fees and costs), damages, liabilities, claims and losses occurring or resulting to any person, firm or corporation who may be injured or damaged by the performance, or failure to perform, of Contractor, its officers, agents or employees under this Agreement.

**COORDINATE WORK WITH OWNER:** Successful bidder shall coordinate and schedule the work with the FCERA so that any interruption to the normal business operations be kept to a minimum.

**DISPUTE RESOLUTION:** The ensuing contract shall be governed by the laws of the state of California. Any claim which cannot be amicably settled without court action will be litigated in the U.S. District Court for the Eastern District of California in Fresno, CA or in a state court for Fresno County.

**DEFAULT:** In case of default by the selected bidder, FCERA may procure the services from another source and may recover the loss occasioned thereby from any unpaid balance due the selected bidder, or by any other legal means available to the FCERA.

**ASSIGNMENTS:** The ensuing proposed contract will provide that the vendor may not assign any payment or portions of payments without prior written consent of FCERA.

**ASSURANCES:** Any contract awarded under this RFQ must be carried out in full compliance with the Civil Rights Act of 1964, the Americans With Disabilities Act of 1990, their subsequent amendments, and any and all other laws protecting the rights of individuals and agencies. FCERA has a zero tolerance for discrimination, implied or expressed, and wants to ensure that policy continues under this RFQ. The contractor must also guarantee that services, or workmanship, provided will be performed in compliance with all applicable local, state, or federal laws and regulations pertinent to the types of services, or project, of the nature required under this RFQ. In addition, the contractor may be required to provide evidence substantiating that their employees have the necessary skills and training to perform the required services or work.

**OBLIGATIONS OF CONTRACTOR:** Contractor warrants on behalf of itself and all subcontractors engaged for the performance of the ensuing contract that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.

**TIE BIDS:** With all other factors being equal, the contract shall be awarded to the Fresno County vendor or, if neither or both are Fresno County vendors, the tied vendors will be granted the opportunity to submit new bids or the entire bid may be rejected and re-bid.

**DATA SECURITY:** Individuals and/or agencies that enter into a contractual relationship with the FCERA for the purpose of providing services must employ adequate controls and data security measures, both internally and externally to ensure and protect the confidential information and/or data provided to contractor by FCERA, preventing the potential loss, misappropriation or

inadvertent access, viewing, use or disclosure of FCERA data including sensitive or personal member information; abuse of FCERA resources; and/or disruption to FCERA operations. Individuals and/or agencies may not connect to or use FCERA networks/systems via personally owned mobile, wireless or handheld devices unless authorized by FCERA for telecommuting purposes and provide a secure connection; up to date virus protection and mobile devices must have the remote wipe feature enabled. Computers or computer peripherals including mobile storage devices may not be used or brought in for use into FCERA's system(s) without prior authorization from FCERA and/or designee(s). No storage of FCERA's private, confidential or sensitive data on any hard-disk drive, portable storage device or remote storage installation unless encrypted according to advance encryption standards (AES of 128 bit or higher). FCERA will immediately be notified of any violations, breaches or potential breaches of security related to FCERA's confidential information, data and/or data processing equipment which stores or processes FCERA data, internally or externally. FCERA shall provide oversight to Contractor's response to all incidents arising from a possible breach of security related to FCERA's confidential client information. Contractor will be responsible to issue any notification to affected individuals as required by law or as deemed necessary by FCERA in its sole discretion. Contractor will be responsible for all costs incurred as a result of providing the required notification.

**AUDITS AND RETENTION:** The Contractor shall maintain in good and legible condition all books, documents, papers, data files and other records related to its performance under this contract. Such records shall be complete and available to FCERA, for the purpose of audit, examination, or copying during the term of the contract and for a period of at least three (3) years following the FCERA's final payment under the contract or until conclusion of any pending matter (e.g., litigation or audit), whichever is later. Such records must be retained in the manner described above until all pending matters are closed

## ENTITY DESCRIPTION

### BACKGROUND INFORMATION

The system was established on January 1, 1945 to provide retirement, disability, death and survivor benefits for covered employees. FCERA is a cost-sharing multiple-employer, defined benefit pension plan covering the employees of the County of Fresno and other participating agencies pursuant to the County Employees' Retirement Law of 1937, California Government Code Section 31450, et seq. Participating districts include the Superior Courts, Fresno Madera Area Agency on Aging, Clovis Veterans Memorial District and Fresno Mosquito and Vector Controls. While FCERA is technically a multi-employer local government fund, unified valuations and investigations typically are performed for all participating agencies.

The FCERA, with its governing board, is an independent governmental entity separate and distinct from the County of Fresno. The Board of Retirement includes nine members and one alternate. As of June 30, 2020, FCERA's members included approximately 11,887 active, inactive, and deferred members, and approximately 7,838 retired members. Net assets totaled approximately \$4.9 billion as of June 30, 2020.

### PLAN INFORMATION

The FCERA Plan provides for retirement, disability, death, beneficiary and cost-of-living benefits. There are five General retirement tiers and four Safety tiers available to Plan members. Tiers I – III include a maximum of 3% cost living component. Tier IV utilizes a three-year final compensation (years do not need to be consecutive). Tier V utilizes a consecutive three-year final compensation period. While Tiers I - III utilize a one-year final compensation period.

The following chart shows the benefit and contribution provisions by tier.

Retirement Tier	Government Code Section Benefits	Government Code Section Contributions
General Tier I	31676.14 and Settlement Agreement	31621.3
General Tier II	31676.16	31621.4
General Tier III	31676.15	31621.6 and 31630
General Tier IV	31676.1	31621
General Tier V	7522.2	7522.3
Safety Tier I	31664	31639.5
Safety Tier II	31664.2	31639.5
Safety Tier IV	31664	31639.25
Safety Tier V	7525.25(c)	7522.3

Please see FCERA's publicly available actuarial valuations, at <https://fresnocountyretirement.org>, for further information about FCERA's plan terms.

### RESERVES

Member and employer contributions are allocated to various legally required reserve accounts based on actuarial determinations. The FCERA maintains the following reserve accounts.

**Members' Accumulated Contributions Reserve** – member contributions and interest allocation to fund member retirement benefits. Includes member contributions for both annuity (statutory benefit) and the settlement annuity (enhanced benefit)

**Current Service Reserve** – employers' contributions and interest allocation to fund member retirement benefits. Includes employers' contributions for both annuity (statutory benefit) and the settlement annuity (enhanced benefit)



**Annuity Pension Reserve**— Transfers from members’ Accumulated Contributions Reserve and interest allocation for funding monthly annuity payments to retired members and their beneficiaries

**Current Service Pension Reserve** - Transfers from employers’ Current Service Reserve and interest allocation for funding monthly Current Service payments to retired members and their beneficiaries

**Supplemental Annuity Reserve (Settlement)** (- Transfers from employers’ Current Service Reserve and interest allocation for funding monthly Settlement Annuity payments to retired members and their beneficiaries

**Settlement Reserve** - employer contributions, transfers from employers’ reserves and interest allocation to fund member retirement benefits

**Cost of Living Reserve** – employer contributions and interest allocation to fund annual cost of living increases for retirees and the continuance to beneficiaries. Also includes transfer of member’s contributions and interest from Members’ Accumulated Contributions Reserve at retirement

**Survivors’ Death Benefit Reserve** - transfers from the employers’ Current Service Reserve and the member’s contributions and interest from Members’ Accumulated Contributions Reserve at time of death to pay to fund beneficiaries’ monthly benefit (Balance is currently zero \$0.)

**Retiree Health Benefit Reserve (Section 9)** – employer contributions and interest allocation to fund member retirement benefits

**Retiree Health Benefit Reserve (BOR)** – transfers from undistributed earnings and interest allocation to fund member non-vested retirement benefits (Balance is currently zero \$0.)

**Supplemental Cost of Living Reserve** - transfers from undistributed earnings and interest allocation to fund member non-vested retirement benefits (Balance is currently zero \$0.)

**Contingency Reserves** – excess income to supplement deficient earnings. (Balance is currently zero \$0.)

Please see FCERA’s publicly available financial statements, at <https://fresnocountyretirement.org>, for further information about FCERA’s reserves.

## **ACTUARIAL INFORMATION**

Under FCERA’s governing law, an actuarial valuation shall be performed not less than every three years and conducted under the supervision of an actuary. Actuarial valuations are performed annually to monitor funded status and to recommend employer and employee contribution rates.

FCERA engages an independent actuarial firm, The Segal Company (Segal), to conduct an annual valuation to monitor funding status. Segal completed the annual valuation as of June 30, 2020. The funded ratio of the actuarial assets to the actuarial accrued liability was 82.69% as of June 30, 2020. The valuation assets totaled \$5.226 billion, and the actuarial accrued liability was \$6.320 billion. Summary information and assumptions are outlined below.

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry-age actuarial cost method
Amortization Method	Level dollar and level percentage of pay

Remaining Amortization	20.0 – year fixed (decreasing or closed) for UAAL established as of June 30, 2003 Plus 15 years layered amortization periods for everything else
Asset Valuation Method	Five-year smoothed market
Investment Rate of Return	7.00%
Projected Salary Increase	3.25%
Cost-of-Living	3.00%
Inflation	2.75%

The June 30, 2021 annual valuation will be completed by Segal by December 31, 2021.

Triennially, FCERA conducts an investigation of the appropriateness of all economic and non-economic assumptions, an Actuarial Experience Study. Recommendations are then presented to the Board of Retirement for consideration. An Analysis of Actuarial Experience covering the period from July 1, 2015 to June 30, 2018 was completed and adopted by the Board of Retirement on April 9, 2019, and a subsequent off-cycle review of the economic assumptions was completed for the June 30, 2021 annual valuation, and was adopted on June 16, 2021.

FCERA currently provides its actuarial firm with data files for the purpose of performing actuarial services. FCERA's pension administration system (Arrivos) is developed by Tegrity. Its functions include all management and processing of member records, such as benefit calculations and reporting. The system houses over 20,000 distinct member records and various statistics to assist staff. Arrivos receives bi-weekly and semi-monthly data feeds from FCERA's five active plan sponsors. This data includes new members, member status changes, salaries, premium pay items, contributions, etc. Retiree and beneficiary disbursements and personal information are updated monthly by FCERA input into the Arrivos pension administration system.

### **MINIMUM REQUIREMENTS**

To be considered for the actuarial auditor described in the RFQ the firm must meet the following minimum requirements:

1. The firm must be a professional actuarial services firm that provides (or has provided) actuarial valuation, experience investigations, actuarial audits, and pension consulting services.
2. The Actuary performing the work must be a Fellow of the Society of Actuaries and an enrolled actuary. Any Supporting Actuary must be either a Fellow, enrolled, or have ten years of pension consulting experience.
3. The Actuary performing the services under the Contract must have a minimum of ten years of experience as an actuary providing pension consulting services, experience analysis, valuation assignments, and actuarial audit assignments for multi-employer public retirement plans.
4. The actuarial firm must agree to disclose all potential and actual conflicts of interest.

**VENDOR MUST COMPLETE AND RETURN WITH REQUEST FOR QUOTATION.**

Firm: \_\_\_\_\_

**REFERENCE LIST**

Provide a list of at least five (5) customers for whom you have recently provided similar services. If you have held a contract for similar services with the FCERA within the past seven (7) years, list the FCERA as one of your customers. Please list the person most familiar with your contract. Be sure to include all requested information.

Reference Name: \_\_\_\_\_ Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone No.: (\_\_\_\_) \_\_\_\_\_ Date: \_\_\_\_\_  
Service Provided: \_\_\_\_\_

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Reference Name: \_\_\_\_\_ Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone No.: (\_\_\_\_) \_\_\_\_\_ Date: \_\_\_\_\_  
Service Provided: \_\_\_\_\_

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Reference Name: \_\_\_\_\_ Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone No.: (\_\_\_\_) \_\_\_\_\_ Date: \_\_\_\_\_  
Service Provided: \_\_\_\_\_

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Reference Name: \_\_\_\_\_ Contact: \_\_\_\_\_  
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City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone No.: (\_\_\_\_) \_\_\_\_\_ Date: \_\_\_\_\_  
Service Provided: \_\_\_\_\_

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Reference Name: \_\_\_\_\_ Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone No.: (\_\_\_\_) \_\_\_\_\_ Date: \_\_\_\_\_  
Service Provided: \_\_\_\_\_

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## QUOTATION SCHEDULE

Company Name \_\_\_\_\_

All labor, material, equipment, fees, taxes, etc.

Total \$ \_\_\_\_\_

### Completion Timeline

Estimated Completion Date after the receipt of the data for the June 30, 2021 annual valuation

\_\_\_\_\_  
Date

## CHECK LIST

This Checklist is provided to assist the vendors in the preparation of their bid response. Included in this list, are important requirements and is the responsibility of the bidder to submit with the bid package in order to make the bid compliant. Because the checklist is just a guideline, the bidder must read and comply with the bid in its entirety.

Check off each of the following:

1. \_\_\_\_\_ The Request for Quotation (RFQ) has been signed and completed.
2. \_\_\_\_\_ Addenda, if any, have been signed and included in the bid package.
3. \_\_\_\_\_ The completed *Reference List* as provided with this RFQ.
4. \_\_\_\_\_ The Quotation Schedule as provided with this RFQ has been completed, price reviewed for accuracy and any corrections initialed.
5. \_\_\_\_\_ Indicate all of bidder exceptions to the FCERA's requirements, conditions and specifications as stated within this RFQ
6. \_\_\_\_\_ *Bidder to Complete* page (page i) as provided with this RFQ.
7. \_\_\_\_\_ Verification of Fellow of the Society of Actuaries and an enrolled actuary.
8. \_\_\_\_\_ Return checklist with RFQ response.
9. \_\_\_\_\_ **Complete RFQ in pdf format, electronically submitted to [dpaolinelli@fresnocountyca.gov](mailto:dpaolinelli@fresnocountyca.gov).**

## **EXHIBIT A -- FCERA BOARD OF TRUSTEES/STAFF**

Nathan Magsig, MBS, BS – Appointed, Chairman  
Stanley (Stan) L. McDivitt – Appointed, Vice Chairman  
John Adams – Elected, General  
Laura Basua – Elected, Retired  
Rauden (Rod) Coburn, III DDS – Appointed  
Oscar J. Garcia, CPA – Ex-Officio, Auditor-Controller/Treasurer-Tax Collector  
Steven (Steve) Jolly, AIF - Appointed  
John Robinson – Elected, Safety  
Riley Talford – Elected, General  
Douglas (Doug) Papagni, Elected, Alternate Retired

Donald C. Kendig, CPA, Retirement Administrator  
Debbie Paolinelli, CPA, Assistant Retirement Administrator

## EXHIBIT B -- SCOPE OF SERVICES

1. Actuary shall perform an actuarial peer review audit of the July 1, 2015 through June 30, 2018 Actuarial Experience Study and the June 30, 2021 Economic Actuarial Assumptions for the June 30, 2021 Actuarial Valuation, to be completed by Segal by December 31, 2021. The data used in the June 30, 2021 annual actuarial valuation and the three previous annual actuarial valuations will be supplied to Actuary by FCERA's consulting actuary. Such audit shall include but not be limited to:
  - a) Evaluation of the available data for the performance of the experience study, the degree to which such data is sufficient to support the conclusions of the study, and the use and appropriateness of any assumptions made regarding such data.
  - b) Evaluation of the results and reconciliation of any discrepancies between the findings, assumptions, methodology, rates, and or adjustments of the Actuary and FCERA's consulting actuary.
2. Actuary shall conduct a valuation (independent reproduction of the detailed valuation results) of FCERA's June 30, 2021 annual valuation. Actuary shall consult with FCERA's consulting actuary and staff in the course of the engagement. FCERA's consulting actuary will supply both "scrubbed" and raw data to the Actuary from the current valuation period. Such audit shall include but not be limited to:
  - a) Evaluation of the available data for the performance of such valuation, the degree to which such data is sufficient to support the conclusions of the valuation, and the use and appropriateness of any assumptions made regarding such data.
  - b) Evaluation of recommended economic and non-economic assumptions as presented in FCERA's consulting actuary's Review of Economic Actuarial Assumptions.
  - c) Perform valuation as of the valuation using the assumptions, methodologies and funding method used FCERA's consulting actuary in their performance of the valuation. Actuary shall reproduce all work and not rely on the work of FCERA's consulting actuary.
  - d) Evaluation of the concurrent valuation results and reconciliation of any discrepancies between the findings, assumptions, methodologies, rates, and/or adjustments of the Actuary and FCERA's consulting actuary.
  - e) Audit to be performed concurrently with consulting actuary's performance of the actuarial valuation. It is FCERA's intent that concurrent valuation results and the reconciliation of any discrepancies between the findings, assumptions, methodology, rates, and or adjustments be communicated to the consulting actuary prior to their completion of work so that the consulting actuary may consider such adjustments and recommendations for inclusion in their completed valuation. Significant findings may be incorporated in the final valuation report.
  - f) Reconciliation of the payroll data used by FCERA's consulting actuary compared to the payroll data reported to FCERA by its participating agencies.

## EXHIBIT C – ACTUARIAL MATERIALS TO BE AUDITED

All of the following are available at <https://fresnocountyretirement.org/actuarial/>

- (1) Experience Study – July 1, 2015 through June 30, 2018
- (2) Economic Actuarial Assumptions – June 30, 2021
- (3) Actuarial Valuation – June 30, 2021 (will be posted by December 31, 2021)