**San Joaquin County Employees’ Retirement Association (SJCERA)**

**Request for Proposal No. 2025-01**

**Actuary Consulting Services**

**Response to Questions from Potential Proposers**

**June 6, 2025**

1. **RFP pages 6-7, Section III.A. Introduction, and page 15, Exhibit A. Sample Fixed Fee Proposal**

**Can you please provide a specific list of services that would need to be provided under the “Actuarial Consulting” item and covered under the fixed fee retainer?**

“Actuarial Consulting” is only for the services listed in Section III.A See the response to question #11 for a sample of services outside the fixed fee retainer.

**Some of our contracts with other CA public sector clients include a fixed quarterly retainer fee for “Actuarial Consulting” services, with an agreement that if the time charges associated with providing such services during the quarter exceed the fixed fee by more than 25%, any excess above the 25% threshold would be billed based on the current hourly rates. Similarly, if the “Actuarial Consulting” time charges are less than 75% of the fixed fee, any balance would be carried forward to the next quarter, for purposes of determining the 125% threshold described above.  Would SJCERA consider a similar modification to a standard fixed-fee agreement?**

Yes, we would consider a similar modification to the contract but would want more details about how it would be administered, and included in the RFP response.

1. **RFP page 6, Section III.A. – Actuarial and Government Table Updates**

**We note that the list of services to be covered under the fixed fee includes “Actuarial and Government Table Updates and Testing including Factor Tables for the Pension Administration System (PAS)”. Can you please confirm whether that this would include the provision of factors & testing of such factors based on the current PAS, but that consulting/testing related to the implementation of a new PAS (or significant redesign of the current PAS) would potentially result in additional services billed outside of the fixed fee retainer, if the effort required significantly exceeds the efforts under the current system?**

Yes, it may result in additional services outside the fixed fee retainer if the effort required significantly exceeds the efforts under the current system.

1. **RFP page 15, Exhibit A. Sample Fixed Fee Proposal**

**The Sample Fixed Fee proposal includes a single line for hourly services outside the scope of the RFP, including annual COLA increase. Can you please confirm that it would be acceptable to provide a single rate or range of hourly rates *for each job classification* (i.e., principal consultant, consulting actuary, senior analyst, admin, etc.)?**

Yes, either is fine.

**For the annual COLA increase, would it be acceptable to provide the single rates or range as noted above for Year 1 of the contract, and then specify that the hourly rates in each following year will be increased by a specified percentage or the change in a specified index (e.g., CPI-U)?**

Yes.

1. **RFP page 6, Section III.A. – Actuarial Valuation, and page 15, Exhibit A. Sample Fixed Fee Proposal**

**Actuarial Standard of Practice No. 51 requires that actuaries perform regular risk assessments for plans with actuarial funding valuations. These assessments may be a part of the regular actuarial valuation report or issued as a separate document. If a firm elects to issue the assessment as a separate document, should the cost of the assessment be included in the annual fixed fee retainer?**

At this time, SJCERA does not intend to elect the risk assessment as a separate document.

1. **Section III, item A., page 6. How often are the Actuarial and Government Table Updates and Testing including Factor Tables for the Pension Administration System performed?**

Tables are provided annually including the semi-annual Interest Tables.

1. **Section III, item A., page 6. Is the census data provided for all public employers come from a single source, or does each public employer provide updated census? Is there a single contact for any data questions?**

The census data is provided from a single source (SJCERA) and there is a single contact for data questions (SJCERA).

1. **Section III, item A., page 6. In the summary list of actuarial projects, which of the list are included in the annual fixed fee, and which are billed at the agreed upon hourly rate?**

All the items listed in III.A. should be included in the fixed fee. See the response to question 1 and 11 for a sample of items outside the fixed retainer fee.

1. **Exhibit A – Page 15. Please provide the fixed fees for the previous 5 years (i.e., 2021-2025) for actuarial consulting services.**

See the response to question #11 for the previous 3 years (2022-2024).

1. **Is this RFP being issued as part of SJCERA’s typical cycle? If not, is there a specific reason the RFP is being issued at this time? [Section I, page 3]**

This RFP is being issued as part of SJCERA’s typical cycle.

1. **Will SJCERA give consideration to including a clearly stated, negotiated contractual limit of liability in the final contract (with the negotiated limit being waived in the event of gross negligence or willful misconduct)? If such a limitation would be considered, would this be viewed negatively relative to other proposers not requesting a limitation of liability? [Section VII, pages 13-14]**

Yes, we will give consideration, but it would be viewed negatively in comparison to those who would not require it.

1. **Will SJCERA provide a breakdown of fees for the each of last three years? [Section V C subsection 7, page 11]**

**• Fixed fee costs**

**• Costs outside of fixed fee including a description of the projects**

**• Hourly rates charged.**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2022 | 2023 | 2024 |
| Fixed Fee | $157,400 | $101,655 | $104,150 |
| Hourly Rate Range | $125 - $460 | $130 - $480 | $135 - $490 |
| Costs and description outside fixed fee: |  |  |  |
| CPA Auditor Request | $0 | $0 | $1,940 |
| Special Benefit Calculation | $10,423 | $0 | $16,734 |
| Capital Market Assumption & Presentation | $0 | $0 | $4,030 |
| 31515 Analysis | $21,874 | $24,755 | $15,560 |
| Net Cash Flow Presentation | $0 | $0 | $1,873 |
| Other | $16,461 | $20,765 | $8,143 |
| Asset Liability Study | $10,678 | $0 | $0 |