

REQUEST FOR PROPOSALS

Hidalgo County “ACTUARIAL CONSULTING SERVICES FOR Part I-GASB 43 and/or GASB 45 OPEB Valuation Analysis; Part II-Health Benefits Reserve Analysis”

Contact Person:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
Physical Address: 2802 S. Business Hwy. 281
Mailing/US Postal Address: 2812 S. Business Hwy. 281
Edinburg, Texas 78539
(956) 318-2626



1. **Sealed Proposals** will be received for "**Hidalgo County- Actuarial Consulting Services for PART I- GASB 43 and/or GASB 45 OPEB Valuation Analysis; PART II- Health Benefits Reserve Analysis**", in accordance with the requirements attached hereto as Exhibit "A." Proposals should address all requirements set forth. Proposals may suggest substitutions of features which they feel would be in the best interest of Hidalgo County ("County"). Strong rationale must be presented for any deviation from the requirements. Hidalgo County reserves the right to reject the deviation and its effect on the overall proposal.
2. **ONE (1) ORIGINAL AND SEVEN (7) COPIES** of all RFP's are required, with the vendor's name and address clearly typed/printed on upper left hand corner and the proper notation clearly typed/printed on the lower left hand corner of the envelope and/or package, "**RFP No: 2013-022-00-00-CGA- Hidalgo County- Actuarial Consulting Services for PART I- GASB 43 and/or GASB 45 OPEB Valuation Analysis; PART II- Health Benefits Reserve Analysis**" and at County's Purchasing Department with a physical address: 2802 S. Business 281 and a mailing address: 2812 S. Business Hwy 281, New Administration Building, Edinburg, Texas on **or before 9:30 a.m. Wednesday, _____, 2013.**

NO FACSIMILES OR LATE ARRIVALS WILL BE ACCEPTED. ANY RFP/Q RECEIVED AFTER THAT TIME WILL NOT BE OPENED AND WILL BE RETURNED. OVERNIGHT MAIL MUST ALSO BE PROPERLY LABELED ON THE OUTSIDE OF EXPRESS ENVELOPE WITH THE FOLLOWING REFERENCE: RFP NO: 2013-022-00-00-CGA-HIDALGO COUNTY ACTUARIAL CONSULTING SERVICES for PART I-GASB 43 and/or GASB 45 OPEB VALUATION ANALYSIS; PART II-HEALTH BENEFITS RESERVE ANALYSIS.

WRITTEN QUESTIONS WILL BE ACCEPTED via facsimile to (956) 292-7612 or via email to: cris.villarreal@co.hidalgo.tx.us , by **NO LATER THAN Wednesday, _____, at 5:00 p.m.** Responses will be sent to all applicants by **Friday, _____ at 5:00 p.m.** **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

Hidalgo County reserves the right to refuse and reject any/all proposals and to waive any/all formalities or technicalities, or to accept the proposal considered the best and most advantageous to Hidalgo County.

3. Hidalgo County reserves the right to: **A)** separate and accept, or eliminate any items(s) listed under this proposal that it deems necessary to accommodate budgetary and/or operational requirements; **B)** reject any or all proposals/qualifications submitted and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best proposal for approval. Receipt of any proposal shall under no circumstances obligate County to accept the lowest dollar proposal and; **C)** award of this contract shall be made to the responsible offeror whose proposal is determined to be the best evaluated offer resulting from negotiation, taking into consideration the relative importance of price and other evaluation factors as herein set forth.
4. Failure of the delivered item(s) to perform as specified or failure to meet the stated delivery schedule shall release Hidalgo County from all obligations to the contracting party with regard to the item(s) in question. In such event, County may elect to award the contract to the next-

lowest responsible proposer, or to reject all proposals and re-advertise.

5. For work to be performed and/or services to be provided or rendered at a County owned or operated location, each submitter shall, in its sole discretion, visit the job site before preparing the proposal and thoroughly familiarize himself/herself with existing conditions. Proposer should take field dimensions and note all circumstances which affect the proposal.
6. Descriptive specifications are referenced in this document to indicate the general kind and quality of equipment desired by Hidalgo County. Due to various styles and models of equipment, proposers are required to include illustrations, specifications, explanation of warranties, and service data with their proposal including catalogue numbers and any necessary references.
7. No proposal may be withdrawn within sixty (60) days from the scheduled time to accept proposals.
8. Proposed prices are to remain firm for a minimum of ninety (90) days after priced proposal opening.
9. Any interpretations, amendments, corrections or changes to this proposal document must be in a written addendum and signed by Hidalgo County Judge or his designee. Addenda will be mailed to all who are known to have received a copy of the Request for Proposals. Proposers shall acknowledge receipt of all addenda as a part of their proposal.
10. County reserves the right to accept or reject any or all RFP's.
11. Costs are to be net F.O.B. destination County Prepaid.
12. County is exempt from Federal Excise Tax, State Tax and Local Tax. Do Not include tax in cost figure. If it is determined that tax was included in the cost figures it will not be included in the tabulation of any awards. Tax exemption certificates will be furnished upon request.
13. Funds for this procurement have been provided through the County's budget for this fiscal year only. County on an annual basis has the right to reconsider a contract during the budget process for ensuing years if financial resources of County are insufficient to meet the liabilities of said contract. The award of a proposal or contract hereunder will not be construed to create a debt of the County which is payable out of funds beyond the current fiscal year.
14. Upon award and prior to execution of a contract, Sole Proprietorships are required to submit a copy of their social security card to the Hidalgo County Auditor in order to establish an account with the County. All awarded vendors must submit a completed W-9 and a copy of their Federal ID Number Certificate.
15. **DELIVERY INSTRUCTIONS: (IF APPLICABLE)**
 - No deliveries accepted after 3:00 P.M., Monday-Friday.
 - At least seventy two (72) hours prior notice of delivery must be given to Martha L. Salazar, CPPB, Purchasing Agent, before delivery will be accepted.
 - If you need additional information call the office listed below:

- ~~• If the contract is for \$50,000 or less, no money will be paid to the contractor until completion and acceptance of the work or the fulfillment of the purchase obligation to the County, and, if applicable, the receipt by County of satisfactory evidence that all subcontractors and materialmen have been paid.~~
- ~~• If a contract is for the construction, alteration or repair of public buildings or public works, the contractor shall provide a payment bond for a contract in excess of Twenty Five Thousand Dollars (\$25,000.00), as required by Tex. Govt. Code Ch. 2253.~~
- ~~• For requirements contracts, bond requirements are determined by applying the proposed unit price to the estimated quantities included in the specifications.~~

19. **ETHICAL STANDARDS:**

- It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of the County, or for any elected official, department head or employee or former elected official, department head or employee of the County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before any department or agency of the County.
- It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for the County, or any person associated therewith, as an inducement for the award of a subcontract or order.
- No public official shall have an interest in a contract awarded hereunder except in accordance with Tex. Loc. Govt. Code Chapter 171.

20. **DISCLOSURE OF CONFLICT OF INTEREST:**

- Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the "CIQ") attached as Exhibit D, the vendor, person consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The

disclosure requirement applies to a person or business who contract or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the successful Proposer fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

- Please submit complete CIQ forms to the Hidalgo County Clerk's Office located at 100 N. Closner, Edinburg, Texas 78539-Hidalgo County Courthouse **COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROSPECTIVE PROPOSER.**

21. If, during the life of any contract or proposal awarded, the successful proposer's net prices generally available to other customers for items awarded herein are reduced below the contracted price, it is understood and agreed that the benefits of such reduction shall be extended to County.
22. Proposals, and all goods and services provided thereunder, shall comply with all federal, state and local laws concerning this type(s) of goods and/or services.
23. Minimum Standards For Responsible Prospective Proposers: A prospective proposer must affirmatively demonstrate proposer's responsibility. A prospective proposer, by submitting a proposal, represents to County that it meets the following requirements:
 - Possess or is able to obtain adequate financial resources as required to perform under the proposal;
 - Be able to comply with the required or proposed delivery schedule;
 - Have a satisfactory record of performance;
 - Have a satisfactory record of integrity and ethics;
 - Be otherwise qualified and eligible to receive an award.
24. Successful proposer will pay or cause to be paid, without cost or expenses to County, all FICA, FUTA/SUTA and Federal Income Withholding Taxes of all employees, and all wages and benefits as required by Federal or State law. Successful proposer's officers, agents and/or employees will not be entitled to any benefits of an employee or elected official of County, including, but not limited to, benefits associated with County's civil service system.
25. Any contract award to a successful proposer will be in effect until: **a)** the contract expires; **b)** delivery and acceptance of products, and/or performance of services ordered, or; **c)** terminated by County with thirty (30) day's written notice prior to cancellation.
26. County reserves the right to enforce performance of any contract awarded hereunder in any manner prescribed by law or deemed to be in the best interest of the County in the event of breach or default by successful proposer; County reserves the right to terminate any contract immediately in the event a successful proposer fails to:

- A. Meet schedules;
 - B. Pay any required fees or taxes; or
 - C. Otherwise perform in accordance with the requirements.
27. Successful proposer shall defend, indemnify and save harmless County and all its elected officials, officers, agents and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful proposer, or of any agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from proposal award. Successful proposer indemnifies and will indemnify and save harmless County from liability, claim or demand on their part, agents, servants, customers, and/or employees whether such liability, claim or demand arise from event or casualty happening or within the occupied premises themselves or happening upon or in any of the halls, elevators, entrances, stairways or approaches of or to the facilities within which the occupied premises are located. Successful proposer shall pay any judgment with costs which may be obtained against County growing out of such injury or damages, and shall, upon request, provide a defense to County by counsel reasonably acceptable to County. Successful proposer's indemnity hereunder shall include, but is not limited to, claims relating to patent, copyright or trademark infringement, and the like, arising out of the goods or services provided by successful proposer.
28. Successful proposer shall warrant that all items/services shall conform to the specifications and/or all warranties provided under the Uniform Commercial Code and be free from all defects in material, workmanship and the like. Items supplied under a contract pursuant to this Request for Proposal shall be subject to County's approval. Items found to be defective or not meeting specifications shall be replaced by successful proposer within two business days at no expense to County. Items not picked up within one (1) week after notification shall be deemed a donation to County and may be used or disposed of at County's discretion and without waiver of any other rights of County as to the item's nonconformity.
29. This document and any disputes arising hereunder shall be governed and construed according to the laws of the State of Texas, and will be performable exclusively in Hidalgo County, Texas.
30. The successful proposer shall not assign, sell, transfer or convey its rights under any awarded contract, in whole or in part, without the prior written consent of County.
31. Proposers shall provide with the proposal response, a list of at least three (3) references where like services have been supplied by their firm. Include the name of the business or government, address, telephone number and name of representative or contact person.
32. Proposers must provide **all** documentation requested with this Proposal in their response. Failure to provide this information may result in rejection of the proposal as non-conforming.

**Proposal for
HIDALGO COUNTY
“ACTUARIAL CONSULTING SERVICES FOR
PART I- GASB 43 AND/OR GASB 45 OPEB VALUATION ANALYSIS;
PART II- HEALTH BENEFITS RESERVE ANALYSIS”**

To: Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Physical Address: 2802 S. Business Hwy. 281
Mailing/US Postal Address: 2812 S. Business Hwy. 281
Edinburg, Texas 78539

In accordance with the Requirements, and subject to all laws and regulations of the United States and state and local laws, the undersigned submitter proposes and commits to furnish all labor, equipment, material, software and services as set forth in the documents hereinbefore mentioned. The undersigned submitter further agrees, upon acceptance of its proposal, to execute a contract and/or Purchase Order issued by Hidalgo County for performing and completing the work described in the Requirements within the time stated and for the prices proposed in the documents attached hereto and made a part hereof.

Proposer acknowledges receipt of all of the pages of the documents referenced in the Request for Proposal Checklist presented in connection with this procurement. Proposer understands that Hidalgo County reserves the right to reject any or all proposals and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best proposal.

Submitter agrees that this proposal shall be good and may not be withdrawn for a period of ninety (90) calendar days after the scheduled closing time for accepting proposal, as contained in the Requirements.

Respectfully submitted,

Bidder: _____
Address: _____
By: _____
Printed Name: _____
Title: _____

EXHIBIT "A"
SPECIFICATIONS/REQUIREMENTS

Hidalgo County
Actuarial Consulting Services
for
Part I- GASB 43 and/or GASB 45 OPEB Valuation Analysis;
Part II- Health Benefits Reserve Analysis
RFP: 2013-022-00-00-CGA

OVERVIEW:

Hidalgo County is requesting sealed proposals from interested and qualified firms for **Actuarial Consulting Services-Part I: GASB 43 and/or GASB 45 OPEB Valuation Analysis** for Hidalgo County's Post-Employment Benefits Package (OPEB) for **Health Benefits** for "Retired Employees" And **Part II: Health Benefits Reserve Analysis** for and Funding Projection Study as specified herein. Sealed Proposals will be accepted until **9:30 A.M., Wednesday, _____, 2013.** **ANY PROPOSALS RECEIVED AFTER THAT DATE AND TIME WILL NOT BE ACCEPTED AND WILL BE RETURNED UNOPENED.**

Deliver Submittal to:
RFP No: 2013-022-00-00-CGA

US Postal Mail Address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2812 S. Business Hwy 281
Edinburg, Texas 78539

Physical Address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2802 S. Business Hwy. 281
Edinburg, Texas 78539

The Submittal Envelope Must Show the RFP Number, Name and Acceptance Date.

The following outlines the Request for Proposal:

SECTION I
GENERAL TERMS AND CONDITIONS

ADDITIONAL INFORMATION:

Hidalgo County is requesting that sealed proposals must be routed to Martha L. Salazar, CPPB, Purchasing Agent, at:

US Postal Mail address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2812 S. Business Hwy. 281
Edinburg, Texas 78539

Physical Address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2802 S. Business Hwy. 281
Edinburg, Texas 78539

ALL WRITTEN QUESTIONS WILL BE ACCEPTED VIA FACSIMILE (956)318-2629 OR VIA E-MAIL TO: cris.villarreal@co.hidalgo.tx.us by NO LATER THAN, **Wednesday, _____, 2013 by 5:00 P.M. Responses will be sent to all applicants via e-mail by no later than, **Friday, _____, 2013 by 5:00 P.M.** **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.****

DISCLOSURE OF CONFLICT OF INTEREST:

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the "CIQ") attached as **EXHIBIT D**, the vendor, person consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contract or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the successful bidder fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please submit complete CIQ forms to the Hidalgo County Clerk's Office located at 100 North Closer, Edinburg, Texas 78539-Hidalgo County Courthouse **COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROSPECTIVE PARTICIPANT.**

PROPOSER'S AFFIDAVIT:

Prior Contract award, respondents to this RFP must submit a signed Proposer's Affidavit (attached herein in **Exhibit "E"**) certifying that the submission is: (1) not the result of Collusion as described in the Proposer's Affidavit; (2) that the Respondent does not have a Conflict of Interest as described in Proposer's Affidavit; or that the Respondent has not and will not attempt to lobby directly or indirectly as described in the Proposer's Affidavit.

NON-COLLUSION:

Submitters, by submitting the signed Participant's Affidavit, certify that the accompanying submission is not the result of , or affected by, any unlawful act of collusion with any other person or company engaged in the same line of business or commerce, or any other fraudulent act punishable under Texas or United States law.

NON-DISCRIMINATION:

Submitters, during the performance of this contract, will not discriminate against any employee or applicant for employment because of race, religion, sex, national origin or disability except where religion, sex, national origin or disability is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.

ELECTRONIC TRANSMISSION OF BIDS:

Hidalgo County's Purchasing Department **WILL NOT** accept telegraphic or electronically transmitted submissions.

PROOF OF FINANCIAL AND BUSINESS CAPABILITY:

Submitters must, upon request, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions of these requirements. Hidalgo County will make the final determination as to the submitter's ability.

SUBMITTER DEFAULT:

Hidalgo County reserves the right, in case of submitter default, to procure the articles or services from other sources and hold the defaulting submitter responsible for any excess costs occasioned thereby.

RESTRICTIVE OR AMBIGUOUS REQUIREMENTS:

It is the responsibility of the submitter to review the Request for Proposal (RFP) packet and to notify the Purchasing Department if the requirements are formulated in a manner that would unnecessarily restrict competition. Any such protest or question regarding the requirements or bidding procedures must be received in the Purchasing Department not less than seventy-two (72) hours prior to the time set for the opening. These

criteria also apply to requirements that are ambiguous.

PROPOSAL DELIVERY:

Hidalgo County requires submitters, when hand delivering RFP to make sure that it is stamped with time and date by the County Purchasing Staff.

SIGNING OF PROPOSAL:

In order to be considered all submittals **must** be signed. **Please sign the original in blue ink.**

WAIVING OF INFORMALITIES:

Hidalgo County reserves the right to waive minor informalities or technicalities when it is in the best interest of Hidalgo County.

SUBCONTRACTING:

The successful submitter may not subcontract the award without the written consent of the Commissioners' Court of Hidalgo County.

TERM OF CONTRACT:

The contract will be for a period of two (2) years with the county's option to renew for an additional one (1) year, at the same rates, terms and conditions. Hidalgo County reserves the right to continue this proposal for an additional sixty (60) day Grace Period at the end of the contract under the same rates, terms and conditions.

All costs and expenses associated with the preparation and submission for (bid, proposal and/or quotes) shall be the responsibility of the participant and no reimbursement for such charges or expenses shall be passed on onto Hidalgo County.

DAVIS BACON ACT:

All selected and awarded firms are required to include the Davis-Bacon Act when advertising and developing specifications. **(If applicable)**

PARCTICIPANTS ARE TO PROVIDE A FEE SCHEDULE WITH THIS SUBMITTAL:

The fee will be negotiated after the ranking by Commissioners' Court of the most qualified firm. Hidalgo County is hereby requesting the proposal fees on a multi-year per section basis (including renewal option at the County's sole discretion.

SECTION II
RFP's REQUIREMENTS

REQUEST FOR PROPOSALS

The required contents and limitations for the preparation of the RFP are described in this section. Failure to provide the requested information or adhere to any County limitations will result in disqualification of the submitted RFP.

RFP SUBMISSION:

A total of one (1) original and seven (7) copies of response shall be submitted to: Martha L. Salazar, Purchasing Agent, Hidalgo County Purchasing Department, 2812 So. Business Hwy 281 New Administration Building, Edinburg, Texas 78539 by **no later than 9:30 a.m. on Wednesday, , 2013.**

CONTENTS:

The required contents for the RFP are presented below in the order they should be incorporated into the submitted document.

UNDERSTANDING OF THE PROJECT:

This section should demonstrate the submitter's understanding of the project needs, the work required, and any local issues or concerns. This description should be concise, candid, and limited to 3 pages in length.

FIRM QUALIFICATIONS:

The County of Hidalgo is seeking to contract with a competent firm(s), registered and licensed if applicable for the services being requested in the RFP and/or do business in the State of Texas, that has experience in, but not limited to, as stated and reflected in the **“Scope of Services and Requirements”**.

PERSONNEL AND STAFFING:

The firm should provide an organizational chart for the project and a summary paragraph of the project work to be performed by each proposed staff member. Biographic summaries that highlight the experience relevant to the specific project responsibilities should be provided for all proposed personnel. There is a one (1) page limitation for each biographic summary provided.

Additionally, this section should include a description of the firm's project personnel and their most recent similar projects. For each project, a client contract name and phone number should be included for reference purposes. Additionally, the names of the personnel proposed for this project who participated in the listed projects should be provided. This project list is limited to 5 pages.

REQUIRED CERTIFICATIONS AND SUBMITTAL:

This section will contain any licenses and certifications as required by HIDALGO COUNTY, the STATE OF TEXAS, etc. **The Proposer(s) should add copies of their Professional Liability Insurance in the response.**

PROJECT OVERVIEW:

The County of Hidalgo is seeking this request for proposal from interested and qualified firms to assist in implementing Consulting Services for **Part I: GASB 43 and/or GASB 45 OPEB Valuation Analysis** for Hidalgo County's Other Post-Employment Benefits Package (OPEB) for **Health Benefits** for “Retired Employees”. There are approximately ___retired employees; only about ___retired employees, of which are utilizing the County's health benefits with a blended premium rate payment plan and **Part II: To include services for the Health Benefits Reserve Analysis** for Funding Projection Study.

The County of Hidalgo is seeking this request for proposal from interested and qualified firms to assist in implementing Consulting Services for **Part I: GASB 43 and/or GASB 45 OPEB Valuation Analysis** and **Part II: Health Benefits Reserve Analysis**, any information required for the actuarial services will be provided on **“An As Needed Basis”**. The qualified firm(s) is one that can deliver the services requested in an efficient and effective manner while ensuring the highest standards of performance, integrity, customer service and fiscal accountability. The County of Hidalgo wishes to contract with a firm(s) that understands the importance of the tasks, the impact, and the necessary deadline for such implementation as required by the “Government Accounting Standards Board”. The successful firm(s) will demonstrate the ability to consistently provide these services to the County of Hidalgo and will be evaluated, in part, by the degree to which the firm(s) shows how it will achieve these benefits.

SCOPE OF SERVICES:

Hidalgo County is requesting proposals from experienced firm(s) to provide ongoing Consulting Services for the Actuarial Studies/Services regarding for **Part I: GASB 43 and/or GASB 45 OPEB Valuation Analysis** and **Part II: Health Benefits Reserve Analysis. (Refer to Exhibit “A”- ADDITIONAL**

SPECIFICATIONS/REQUIREMENTS)

PART III **SELECTION AND SCHEDULES**

SELECTION PROCEDURES/EVALUATION SYSTEM:

The evaluation consists of a 100-point scoring system. However, after the 100-point evaluation, Hidalgo County Commissioner's Court may elect to narrow the participating firms and request a presentation from a representative from firms.

An Evaluation Committee selected by County Commissioner's Court, Elected Official or User Department will review, score and evaluate the Request for Proposals (RFP's) received. After the RFP's have been reviewed, scored and evaluated, a grid will be presented to Commissioner's Court for the purposes of ranking for recommendation. Thereafter the Hidalgo County Commissioner's Court will rank and/or award the proposal.

Categories are further detailed in the Selection Criteria (Exhibit B) section of this RFP.

RATING AND EVALUATION PROPOSALS

Proposals will be evaluated and rated for merit, innovation and completeness, in response to each of the elements outlined in the Scope of Services including but not be limited to, the items listed below:

1.	Firm's Qualifications and Staffing of Project Team	10 Points
2.	Understanding Of Project/Similar Projects	40 Points
3.	Experience Of Project Team/Ability To Commit Resources	40 Points
4.	Cost Fees	<u>10 points</u>
	Total	100 points

NEGOTIATION PROCESS:

The number one ranked firm will be contacted to submit a letter of engagement/contract for negotiations. If negotiations prove unsuccessful, Commissioner's Court will terminate negotiations with the firm and will contact the next highest ranked firm to open negotiations. The County of Hidalgo reserves the right to reject any and all RFPs.

TERMINATION OF SERVICES:

Any contract awarded to a qualified firm will be in effect until (a) the contract expires or (b) performance of all services are completed, or (c) terminated by County with or without cause, with ninety (90) days written notice prior to cancellation.

EXHIBIT "A-1"
ADDITIONAL SPECIFICATIONS/REQUIREMENTS
Hidalgo County
Actuarial Consulting Services for
Part I: GASB 43 and/or GASB 45 OPEB Valuation Analysis;
Part II: Health Benefits Reserve Analysis
RFP No.: 2013-022-00-00-CGA

PART I: GASB 43 AND/OR GASB 45 OPEB VALUATION ANALYSIS

SCOPE OF SERVICES:

- Desired study completion date of : _____
- Valuation Analysis will be for year ending: _____
- Prepare an actuarial evaluation following GASB 43 and GASB 45 standards.
- The following must be included in the study as follows:
 - The actuarial present value of total projected benefits.
 - Actuarial accrued liability.
 - Actuarial value of assets.
 - The unfunded actuarial accrued liability.
 - Normal Cost
 - Annual required contribution of the employer-as a level dollar amount and as a level percentage of covered payroll.
 - Net OPEB obligation (for employer disclosure under GASB statement 45 if necessary).
 - Prepare the necessary material for the Comprehensive Annual Financial Report to comply with GASB OPEB reporting and disclosure requirements.
 - Prepare the annual gain/loss analysis to determine reasons for changes in the unfunded actuarial accrued liability, whenever a prior actuarial valuation is available to support this.
 - Determine the implicit rate subsidy, if any, and the impact it would have on the OPEB liability.
 - Prepare an analysis to determine how establishing a trust or equivalent arrangement would affect the interest rate assumption. Timing considerations of establishing the

trust should also be considered.

- Prepare a cash flow analysis (the “pay-as-you-go-cost”). **(optional)**
- Prepare sensitivity analysis showing the impact of alternative assumptions on the employer’s contributions (healthcare trend rates and investment rate assumptions) - **(optional)**
- If there is not a trust established, determine the difference in liability based upon the investment returns under a diversified portfolio versus a short-term fixed income portfolio. **(optional)**
- As appropriate, provide recommendations on managing the OPEB liability. This may include changes in plan design. **(optional)**
- As appropriate, review and update plan documents and design. Make recommendations as to formalizing informal plans. **(optional)**
- Analyze the *data* to *assess* any inconsistencies and make recommendations for enhancing *data* quality.
- Firm will be required to make a formal presentation of the “Actuarial Study” to Hidalgo County Commissioners Court

COUNTY PROVIDED DATA:

- Summary of plan provisions
- Active employee/retiree information
- Retiree contribution schedule
- Employer contribution schedule
- Claims information
- Groups not covered by Medicare – if any
- Additional information as available or requested

PART II: HEALTH BENEFITS RESERVE ANALYSIS

Scope Of Services:

- Desired study completion date of: _____.
- Estimate the reserve analysis as of _____.
- Review Hidalgo County's (County) self funded medical plan to determine reserve balances.
 - Based on claims analysis, determine the Hidalgo County's (County) estimated range of reserve liability for the medical benefit plan.
 - Estimate the unpaid claim liability of Hidalgo County's (County) self funded medical plan for health claims that have been incurred but not paid as of December 31, 2013.
 - Prepare a written actuarial analysis of claim liability for the entire plan broken out by employee group and plan.
 - Prepare a forecast of the number of expected claims, estimate the value of expected payments, develop overall trend and insurance inflation factors, estimate the lag in reporting incurred claims and estimate the lag in payment of claims.
 - Provide spreadsheet of incurred claim liability.
 - Summarize the results of our claim reserve analysis showing monthly paid and incurred claims.
 - Summarize paid claims, estimated incurred claims, and recast reserves by month, including the resulting reserve liability as of December 31, 2013.
 - Provide analysis detailing the claims lag.
 - Provide analysis detailing the average liability per employee

COUNTY PROVIDED DATA:

- Claims lag reports
- Count of eligible employees, employees by tier (single, employee and spouse, etc.).
- List of stop recoveries
- Additional information as available or requested

INFORMATION ABOUT THE FIRM(S):

1. The firm should provide its name, address of the office which would provide the services requested, telephone number, fax, e-mail address and website, if applicable.
2. The firm should provide a general description of its business, including size, number of employees, number of credentialed actuaries, primary business, other business or services offered and review any past or contemplated changes in the ownership structure of the firm.
3. The supervising actuary who will be assigned to the engagement should be identified and their contact information provided.
4. Other actuaries and other personnel who will have key roles in the work should also be identified.
5. The firm should list the number and percent of consulting staff that have left each of the past five years.
6. Brief resumes should be furnished for the key professional staff who will be assigned to this engagement. Summary information should be provided covering the professional qualifications and experience of the supervising and support actuaries and other personnel who would perform the requested work.
7. The *firm* should provide a description of its experience in providing actuarial and consulting services for governmental entities/plans and a list of governmental entities/plans for which it has performed services similar to those identified under "Scope of Services". Describe the *firm's* experience with retiree healthcare and other post-employment benefit plans for other public entities. Recognizing the value of the firm experience with FASB OPEB valuations, *firm* should also describe their private sector OPEB valuation experience.
8. For the *firm* office that will be responsible for the work, the *firm* should provide a list of the most significant engagements performed in the last five years that are similar to the engagement described in this request for proposal/qualifications. The list of engagements can be both in the private or public sector but must be clearly labeled as such.
9. For the engagements listed above, indicate the scope of the work, date, supervising actuaries, and the name and telephone number of the principal client contact who would serve as a reference for the *firm*.
10. The *firm* should list any clients that have been lost in the last five years.
11. The *firm* should provide an affirmative statement that is independent of the governmental entity/plan and that it is unaware of any potential conflicts of interest if it were selected to perform the requested work.

12. The *firm* should describe any limits on liability that the firm requests from its clients due to negligence of its firm.
13. The *firm* should warrant that the *firm* maintains errors and omissions insurance that provides a prudent amount of coverage for negligent acts or omissions and that its coverage is applicable to the work requested in this proposal.
14. The *firm* should include an example of a job arrangement letter or contract that the *firm* would require covering this engagement if it were successful in winning the engagement.
15. The response to the "Request for Proposal" should be signed by a representative of the *firm* with the acknowledgement that this individual is authorized to contractually bind the firm.
16. The *firm* should indicate if there are any pending legal actions against it.

PROCESS:

- Approach-State the overall approach of the valuation, including objectives, scope of work to be performed and the methodologies to be used.
- Describe how the firm will work with "Hidalgo County" to determine the proper actuarial cost method, actuarial asset valuation method, amortization method and key assumptions to the valuation based on relevant accounting and actuarial standards. Some key assumptions (not all of them applicable) to consider as part of this discussion are:
 - Turnover
 - Retirement Age
 - Disability retirement age
 - Mortality
 - Projected salary increase
 - Inflation rate
 - Healthcare cost trend data for appropriate region
 - Amortization timeframe
 - Investment return
 - Post retirement benefit changes
 - Actuarial assumptions associated with the method (projected unit credit, entry age normal, etc.)
- Provide an analysis of allowed actuarial methods and amortization methods with the pros and cons of each method and recommend the most appropriate or commonly used one or two methods for this type of study.
- Describe how the firm would assist in the interpretation of the plan and value the associated costs in situations where there is ambiguity related to the substantive plan.
- Timeline-The firm will identify the major tasks in the valuation engagement and the suggested timeline for completion.

- Date Requirements – The actuarial firm should list all data requirements, other than what has been identified in the RFP, that they require to complete the valuation and in what type of format that data must be provided.
- Support – Provide the support that is required of Hidalgo County' staff.
- Sample Report – Include in the Appendix of the firm's response a copy of a sample report.

COST AND TERMS OF AGREEMENT:

- Cost Proposal – The firm will provide the cost of the engagement detailing out the cost of the valuation and any optional consulting services included in the scope of services. The proposal should include estimated hours, hourly rates and expenses, as well as a total, not-to-exceed cost that should be clear and concise.
- Costs for the any of the services indicated as “**optional**” in the Scope of Services section of this document should be requested as separate from the cost of the valuation as these services can be expensive.
- Terms of Agreement - The contract will be for a period of two (2) years with the county's option to renew for an additional one (1) year, at the same rates, terms and conditions. Hidalgo County reserves the right to continue this proposal for an additional sixty (60) day Grace Period at the end of the contract under the same rates, terms and conditions.

PROPOSAL QUESTIONS

The purpose of this RFP is to demonstrate the qualifications, competence and capability of the proposer(s). The substance of the proposer(s) will carry more weigh than form or manner of presentation. Preparation of your response should be simple and economical, providing a straightforward, concise description of your ability to provide the services requested. The response should include the following, preferably in the order listed:

- What is the basis of compensation for your services (flat fee, time plus expense, etc.)?
- What is your estimate for the total cost of the actuarial study? If your basis for compensation is “time plus expenses”, please detail all anticipated expenses (clerical, travel, etc.). The cost for any optional work should be identified separately and presented for approval before any optional work is to proceed.
- To what degree or percent of accuracy will you guarantee your total cost estimate?
- Will you be able to meet the timeline? If not, provide your estimated date for report completion. Are any additional fees being charged in order to meet this timeline?
- A brief history and description of the firm, including a statement of the firm's qualifications to perform the requested services.

- List at least five Texas public entities, preferably County Entities, that you have performed a GASB 43 and GASB 45 actuarial studies for in the last five year. Include the name of the entity, a contact person and phone number, as well as a description of the work performed.
- Identify the key personnel within your firm who will be responsible for the completion of this assignment. Include the professional qualifications and experience of these key individuals; specifically their experience with Texas Governmental Entities and GASB 43 and 45 liability calculations.
- List any exceptions you have with the proposed RFP/Q and Scope of Work as well as a description of any proposed work that differs from that described.
- List all data and information that will be required to be assembled by Hidalgo County in order to complete the actuarial study.
- Define the most important qualification your firm can bring to Hidalgo County.

The undersigned hereby certified that he/she understands the specifications/requirements and has read the document in it's entirety, affirms the list of qualifications is true and correct, and is duly authorized to execute this response. The following information must be filled out in it's entirety for your proposal to be considered.

Company's Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone No.: _____ Fax No.: _____

Signature of Authorized Representative: _____

Printed Name: _____ Title: _____

Email Address: _____ Date: _____

EXHIBIT "B"

Evaluation and Selection Criteria

Hidalgo County

Actuarial Consulting Services

for

Part I- GASB 43 and/or GASB 45 OPEB Valuation Analysis;

Part II- Health Benefits Reserve Analysis

RFP: 2013-022-00-00-CGA

The County will conduct a comprehensive, fair and impartial evaluation of all Proposals received in response to this RFP. Each proposal will be analyzed to determine overall responsiveness and qualifications under the RFP. The evaluation criteria will include, but not be limited to the following:

1. FIRM'S QUALIFICATIONS AND STAFFING OF PROJECT TEAM (10)

The professional team members shall have experience in performing similar contract for counties, cities, or other clients as stated in the Request for Proposal (RFP). The firm should provide the resume of each of the firm professionals. Any specializations or board certifications should also be detailed in each resume. Copy (ies) of current valid licenses, certifications should be included in this section.

2. UNDERSTANDING OF PROJECT/SIMILAR PROJECTS (40)

The firm's technical understanding of the project and its purpose as evidenced by the quality of the proposal submitted. The firm has no conflict of interest with regard to any other work performed by the firm for the County of Hidalgo. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal. The firm has easily identified how they meet each of the evaluation criteria.

3. EXPERIENCE OF PROJECT TEAM/ABILITY TO COMMIT RESOURCES (40)

The professional team members shall have experience in performing similar contracts for counties, cities, or other clients as stated in the Request for Proposal (RFP).

4. COST (10)

In considering the proposals, the Hidalgo County reserves the right to select the acceptable applicant who offers contractual terms and conditions that are most advantageous, including but not limited to.

The provider shall designate experienced staff to completely and efficiently perform the work. The designated individuals may not be replaced during the project unless approved by the "County". The proposal shall identify the project team composition, project leadership, reporting responsibilities and address how sub-providers, if any, will fit into the management structure. Resumes of the key technical staff members, limited to two (2) pages person, must be included in an appendix, as well as narrative descriptions of projects proposed as similar work experience. Also in this section, outline the firm's contingency plans for servicing the project in the event that one or more key personnel are not available for any reason during the period of performance.

EVALUATION FORM

Hidalgo County
Actuarial Consulting Services
For

Part I- GASB 43 and/or GASB 45 OPEB Valuation Analysis
Part II- Health Benefits Reserve Analysis
RFP: 2010-022-00-00-CGA

<u>Selection Criteria</u>	<u>Points</u>	<u>Score</u>
1. FIRM QUALIFICATIONS AND STAFFING OF PROJECT TEAM (10)		
➤ The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.	10	
COMMENTS/RATIONALE FOR POINTS:	TOTAL:	_____
2. UNDERSTANDING OF PROJECT/SIMILAR PROJECTS (40)		
➤ The firm's technical understanding of the project and its purpose as evidenced by the quality of the proposal submitted.	10	
➤ The firm has no conflict of interest with regard to any other work performed by the firm for the County of Hidalgo.	10	
➤ The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.	10	
➤ The firm has easily identified how they meet each of the evaluation criteria.	10	
COMMENTS/RATIONALE FOR POINTS:	TOTAL:	_____
3. EXPERIENCE OF PROJECT TEAM/ABILITY TO COMMIT RESOURCES (40)		
➤ The firm's past experience and performance on comparable government engagements.	10	
➤ The firm has a record of quality work.	10	
➤ The firm has identified information to be gathered and or obtained from the County of Hidalgo	10	
➤ The audit firm is independent and licensed to practice in the State of Texas.	10	
Comments/Rationale for points:	TOTAL:	_____
4. COST FEES (10)		
➤ The firm's cost of the proposed service.	10	
COMMENTS/RATIONALE FOR POINTS:	TOTAL:	_____
TOTAL SCORE:		_____

Provider: _____

Evaluator: _____ Department/Pct. _____ Date: _____