

## Attachment 2

### Written Proposal Template

#### Introduction and Executive Summary

Submit a letter of introduction and executive summary of the proposal. A person authorized by Proposer to obligate Proposer to perform the commitments contained in the proposal must sign the letter. Submission of the letter must include a representation by Proposer that Proposer is willing and able to perform the commitments contained in the proposal. Include in the letter of introduction a summary of Proposer's qualifications and experience (including specifically confirming that Proposer meets each of the minimum qualifications identified in this RFP), and why Proposer should be selected.

The letter of introduction should also include the following:

- The name, title or position, and contact information of the individual signing the transmittal letter.
- The name, title or position, and telephone number of Proposer's primary contact for the RFP, if different from the individual signing the transmittal letter.
- A statement expressing the Proposer's willingness to perform the services as described in this RFP.
- A statement expressing the Proposer's availability of staff and other required resources for performing all services and providing all deliverables.
- A certification that all fees and conditions stated in the proposal are firm for a period of 180 days from the deadline for submission of proposals and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity.
- A statement that Proposer has reviewed the RFP schedule and will ensure that all of Proposer's key personnel are available for interviews and Board meetings.
- A certification that no officer, employee or agent of SFERS and no SFERS Retirement Board member has any known personal or pecuniary interest, direct or indirect, in this contract or the proceeds thereof.
- A statement that identifies any personal, professional or financial relationships between Proposer and its officers and employees and any SFERS Retirement Board member or SFERS staff.
- A statement that Proposer acknowledges that materials submitted pursuant to this RFP are public records.
- A description of Proposer's professional relationships involving SFERS or the City and County of San Francisco for the past five (5) years from the date of the RFP response, together with a statement explaining why such relationships do not constitute a conflict of interest.

### Firm Organization, Personnel, Clients, Other Proposal Contents

1. Provide your company's name, address, and website and also the primary RFP contact's name, phone number, and e-mail address. Provide the address of the offices that will service this account for all senior team members.
2. Give a brief history of your firm's involvement in the actuarial consulting business, including the year of organization, current ownership, and affiliations. Are ownership changes planned or anticipated at this time?
3. How many years has your firm provided actuarial consulting services to public pension plans?
4. What do you consider to be your firm's consulting specialties, strengths, and limitations? What services, if any, does your firm offer clients in addition to actuarial consulting services?
5. Within the last five years, have you or your organization, employees, officers, or principals been involved in any business litigation or other legal proceeding relating to your actuarial consulting activities? In addition, in the last five years, has your organization been investigated by any regulatory authorities? If so, provide an explanation and indicate the current status.
6. How many full service actuarial accounts does your firm have? How many are public employee retirement systems? How many relationships have been added in the last five years?
7. How many actuarial services accounts were lost in each of the last five years? What was the reason(s) for each account lost?
8. Provide levels of coverage for fidelity bonds, errors and omissions coverage, and other fiduciary coverage that your firm carries; include the name and address of the coverage provider and a copy of proof of coverage.
9. Describe your plans for managing the future growth of your firm in terms of:
  - A. Total number of accounts that will be accepted.
  - B. Plans for additions to professional staff and approximate timing in relation to anticipated growth in the number of accounts.

### Minimum Qualifications

10. Describe how your company meets the Minimum Qualifications of this RFP.

## Personnel

11. List the name and location of the primary individual(s) who would be responsible for our account and provide brief biographies including titles, functions, academic credentials, and relevant experience. Identify and explain the role of back-up personnel. How many clients are assigned to each person named above?
12. What policies are in effect to control the workload as it relates to the number of clients serviced by each consultant? Is there a limit on the number of accounts that a consultant may handle?
13. What incentives are provided to attract and retain top quality employees at your firm?
14. Describe the turnover in key professional personnel in each of the last five years. Indicate the number of people lost in the following areas: (a) actuaries, and (b) key technical personnel.

## Services Provided and Client List

15. List all services provided in a typical pension plan full service actuarial consulting relationship. Include a description of the research and other technical resources, including on-line databases and computer based analytical tools that you make available to your clients, and a description of any IRC Section 415 systems applications that you provide to other public clients.
16. Your firm will be required to recommend economic assumptions such as investment yield, wage inflation, etc. Please describe your methodology to develop these assumptions. Further, please explain your process for validating the appropriateness of said assumptions.
17. Describe the services of your organization that distinguish your firm from your competitors. Briefly explain why your firm is the most qualified for this engagement.
18. Briefly summarize your philosophy relating to the consultant's relationship with boards, staff, and plan sponsors.
19. Provide a list of representative current clients, noting the public pension funds included on the list.
20. List references for three public pension funds with assets each in excess of one billion dollars for whom the primary consultant and principal assistant to be assigned to the SFERS account have provided actuarial consulting. For each reference include client name, address, telephone number, and name of contact person.
21. Provide an example of a cost analysis and report regarding a plan amendment proposal.

22. Include as an addendum item a sample of your firm's actuarial reports. If available, include a sample of an economic and/or demographic experience study report.
23. Describe your present understanding of the status of SFERS. The discussion should be no more than three pages and could include issues faced by retirement systems of our size and comments on funding outlook, statutory constraints, etc. Please describe any current concerns you would have for SFERS and comment how your firm might assist in addressing such concerns.
24. Include any other information that you believe to be pertinent but is not specifically requested elsewhere in this Request for Proposal.

#### Conflicts

25. How does your firm identify and manage conflicts of interest?
26. Please provide a copy of your firm's conflict of interest policy. Who monitors compliance with these guidelines?
27. Please describe any actual or potential conflict of interest that your firm would have in servicing SFERS.
28. Have you or anyone in your firm provided any gifts, travel and room expenses, entertainment or meals to any SFERS Board member or staff member during the past twelve months. If yes, please identify the SFERS Board or staff member, the amount of the expense, when it was incurred, and what it was for.
29. List and describe all professional, business and personal relationships between you and anyone in your firm and any SFERS Board or staff members in the past three years.

#### Fees

30. Provide your fee schedule, bundled and unbundled. Break out the fee structure to reflect separate pricing for:
  - A. Annual actuarial valuations and reports for funding and GASB disclosure purposes, annual economic experience analysis and 20-year employer contribution rate projections report for each year of the five-year contract period.
  - B. One demographic experience study plus any necessary changes in operational tables as a result of adopting new actuarial assumptions recommended by the plan experience study.
  - C. Hourly rates for consulting actuary, and key professionals for additional consulting services.