

DRAFT PROPOSED REQUEST FOR PROPOSAL

Provision of Consulting Actuarial Services

May ____, 2014

Request for Proposal

The Minnesota Legislative Commission on Pensions and Retirement requests proposals from qualified actuarial consulting firms to provide a range of actuarial services to the Commission.

The Minnesota Legislative Commission on Pensions and Retirement

The Minnesota Legislative Commission on Pensions and Retirement is a permanent agency of the Minnesota Legislature established to study Minnesota public pension plans and retirement topics, to make recommendations furthering sound pension policy for the various Minnesota public pension plans, to arrange for the review or audit of the annual actuarial valuations and related actuarial work for the major and statewide Minnesota public employee pension plans, and to analyze proposed Minnesota public pension legislation. The Commission is authorized by statute to employ a consulting actuarial firm to review or audit the regular actuarial valuations, experience studies, and other actuarial work provided by the major and statewide Minnesota public pension plans. The membership of the Commission consists of seven members of the Minnesota House of Representatives and seven members of the Minnesota Senate.

Actuarial Services to be Provided

The actuarial services desired by the Commission to be provided by the actuarial firm it intends to retain under current statute may include the regular review or an audit of annual actuarial valuations for 12 Minnesota public employee pension plans, the periodic review of quadrennial experience valuations for the three largest public pension plans, the potential review or audit of benefit change actuarial cost analyses in connection with proposed legislation for the various statewide and major local pension plans, the potential review or audit of optional annuity form tables or annuity reserve factors for the various statewide and major local pension plans, the potential review or audit of prior service credit purchase payment amount determinations, the potential review or audit of public employer privatization gain and loss determinations relating to the General Employee Retirement Plan of the Public Employees Retirement Association (PERA-General) and the General State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-General), the preparation of periodic reports to the Commission and to the Minnesota Legislature on the results of special actuarial or benefit studies, and the provision to the Commission upon request of various other actuarial consulting services and other technical services not provided by the Commission's professional staff.

Detailed Proposal Requirements

An additional specification of the actuarial consulting services for provision to the Commission, minimum proposal qualification and content requirements, and additional items of information or interest are attached and are to be considered to be a part of this request for proposal.

Potential Responders Inquiry Process

Qualified actuarial consulting firms potentially interested in submitting a proposal in response to this request are invited to submit questions regarding this request for proposal to the Executive Director of the Legislative Commission on Pensions and Retirement at lcpr@leg.mn through (date) . Answers to questions from potential responders about the request for proposal, without identifying the questioner, will be posted by the Commission staff at www.lcpr.leg.mn.

Proposal Evaluation

Full and complete proposals submitted in a timely fashion subsequently will be summarized into a consistent format by the Commission staff and will be evaluated by a (number) -member Subcommittee on Actuarial Services of the Commission.

Submission Deadline

Proposals in response to this request must be mailed or otherwise delivered to the office of the Minnesota Legislative Commission on Pensions and Retirement and must be postmarked, if mailed, or received in the office of the Commission no later than 5:00 CST on (date) , 2014. Proposals postmarked or received after that time on that date will not be considered by the Actuarial Services Subcommittee of the Commission. Only proposals covering the entire scope of actuarial services to be provided as detailed in the attachment to this request will be accepted. Interested qualified actuarial consulting firms should submit proposals to:

Lawrence A. Martin, Executive Director
Legislative Commission on Pensions and Retirement
55 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

Phone: 651-296-2750
Fax: 651-297-3697
E-mail: lcpr@leg.mn.us
Website: www.lcpr.leg.mn.us

Addendum A

Detailed Proposal Requirements and Related Provisions

I. Scope of Actuarial Consulting Services to be Provided

The actuary retained by the Legislative Commission on Pensions and Retirement periodically reviews and recommends proposed revisions in the Commission-adopted Standards for Actuarial Work, annually reviews or audits actuarial valuations of the 11 statewide and major local pension plans, makes appropriate recommendations to the Commission and to the Legislature of an actuarial nature arising from those actuarial valuation reviews or audits, periodically reviews or audits actuarial cost impact estimates of proposed benefit modification legislation affecting statewide and major local pension plans upon Commission request, periodically reviews or audits optional annuity form table or annuity reserve factor change, periodically reviews or audits prior service credit purchase payment amount determinations, reviews or audits privatization gain and loss calculations upon Commission request, provides periodic general or specific actuarial or pension consulting advice to the Commission or the Legislature upon Commission request, prepares special actuarial or related studies or research upon Commission request, and periodically reviews or audits multi-year experience studies for the three largest statewide pension plans.

The specific actuarial consulting services to be provided by the actuarial firm retained by the Legislative Commission on Pensions and Retirement are:

- 1) Review Standards for Actuarial Work. The Standards for Actuarial Work, adopted by the Legislative Commission on Pensions and Retirement as of June 30, 1985, and amended periodically thereafter, are to be reviewed periodically by the actuary at the request of and in consultation with the Commission staff for conformity with the applicable statutory provisions, technical precision, adequacy and appropriateness. Based on that review, the Commission-retained actuary, in consultation with the Commission staff, recommends necessary or desirable changes in those standards, first for comment by the various pension plan administrators and other interested parties, and then for consideration by the Commission.
- 2) Review or Replicate Annual Actuarial Valuations. The Commission-retained actuary annually reviews or audits the actuarial valuations of the statewide and major local public employee pension plans prepared by the retirement plan consulting actuary for conformance with Minnesota Statutes, Section 356.215, and with the Standards for Actuarial Work adopted by the Commission, which together specify the minimum contents of the actuarial valuations, the actuarial cost method to be used, the major economic actuarial assumptions to be used, the manner in which other actuarial assumptions are to be derived, and the format for the actuarial valuations.
- 3) Review Quadrennial Experience Studies for Three Largest Pension Plans. The Commission-retained actuary periodically reviews or audits the results of the quadrennial experience data calculations in an experience study, with the next set of experience studies due in 2015, covering the period 2008-2014. If an experience study of another statewide or major local retirement plan is authorized by the Commission, the Commission-retained actuary may be requested to review or audit the experience study for any other Minnesota public pension plan for which the annual actuarial valuation gain and loss analysis indicates a need to consider a revision of an actuarial assumption.
- 4) Review Actuarial Cost Estimates of Proposed Legislation. The Commission-retained actuary periodically may review or audit an actuarial cost estimate prepared by the applicable retirement plan consulting actuary for conformance with Minnesota Statutes, Section 356.215, and the Standards for Actuarial Work adopted by the Commission regarding proposed legislation modifying the benefit plan of a major or statewide Minnesota public employee pension plan.

- 5) Review of Optional Annuity Form Table or Annuity Reserve Factor Changes. The Commission-retained actuary periodically may review or audit the optional annuity form tables or the annuity reserve factors prepared by or under the supervision of the applicable retirement plan consulting actuary following a mortality assumption change or a post-retirement interest assumption change for reasonableness and accuracy.
- 6) Review of Prior Service Credit Purchase Payment Amount Determinations. The Commission-retained actuary periodically may review or audit the determinations of prior service credit purchase payment amount made by or under the supervision of the applicable retirement plan consulting actuary for a prior service credit purchase utilizing Minnesota Statutes, Section 356.551, for reasonableness and accuracy.
- 7) Presentations to Commission. Upon request, the Commission-retained actuary periodically attends meetings of the Commission, during the annual legislative session and during the interim between annual legislative sessions, to present information or reports on assigned topics or to provide actuarial and technical information and advice on pending pension issues.
- 8) Provide General and Specific Advice to the Commission and Commission Staff. The Commission-retained actuary, upon request, provides general and specific actuarial and benefit plan related advice to the Commission and the Commission staff in a manner that is to be readily understandable by persons lacking technical actuarial training.
- 9) Prepare Special Studies or Research. The Commission-retained actuary performs special studies or research on various actuarial topics assigned by the Commission or Commission staff as the need arises.

II. Timing of Performance and Delivery of Actuarial Services

- 1) Contract Commencement. The contract for actuarial services begins on the day following the day on which the contract is executed by the chair of the Commission or the day on which the contract is executed by the principal of the actuarial firm, whichever is the later.
- 2) Review of the Commission's Standards for Actuarial Work. By January 30, 2015, the Commission-retained actuary shall review and prepare appropriate updates and revisions in the Standards for Actuarial Work first adopted by the Legislative Commission on Pensions and Retirement in 1985 and last updated and revised on August 11, 2010, and present its recommended changes to the Commission for its consideration.
- 3) Review of Statewide and Major Local Defined Benefit Retirement Plan Actuarial Valuations. By April 1 of the year following the actuarial valuation date, for the statewide and major local retirement plans other than the plan that is the subject of a replication actuarial valuation, the Commission-retained actuary shall review each document for conformity with the applicable requirements of Minnesota Statutes, Section 356.215, of the Commission's Standards for Actuarial Work, and of the applicable professional standards and for the reasonableness of the presented valuation results.
- 4) Replication of Statewide or Major Local Defined Benefit Retirement Plan Actuarial Valuations. By April 1 of the year following the actuarial valuation date for the applicable retirement plans, the Commission-retained actuary shall perform a parallel actuarial calculation for the applicable retirement plan for the statement of plan net assets, the reconciliation of plan assets, the actuarial value of plan assets, the actuarial valuation balance sheet, the determination of the unfunded actuarial accrued liability and supplemental contribution rate, the source of changes in the unfunded actuarial accrued liability since the prior valuation date, and the determination of the contribution sufficiency or deficiency. The replication schedule is:

<u>Retirement Plan</u>	<u>Valuation Date</u>
General State Employees Retirement Plan of the Minnesota State Retirement System	July 1, 2014
General Employees Retirement Plan of the Public Employees Retirement Association	July 1, 2015
Teachers Retirement Association	July 1, 2016
St. Paul Teachers Retirement Fund Association	July 1, 2017
Public Employees Police and Fire Retirement Plan	July 1, 2018

- 5) Review of Experience Studies. For the 2008-2014 experience studies of the General State Employees Retirement Plan of the Minnesota State Retirement System, the General Employees Retirement Plan of the Public Employees Retirement Association, and the Teachers Retirement Association, the Commission-retained actuary shall review the studies for conformity with the applicable requirements of Minnesota Statutes, Section 356.215, of the Commission's Standards For Actuarial Work, and of any applicable professional standards and shall review each study for the reasonableness of the presented results and recommendations of assumption changes by the applicable retirement plan consulting actuary. The review shall be conducted 60 days following the date on which the last of the three experience studies is filed with the Commission.
- 6) Review of Actuarial Cost Estimates of Proposed Legislation. For actuarial cost estimates related to proposed legislation during the Legislative Session, as requested, the Commission-retained actuary shall review the actuarial cost estimate for the reasonableness of its assumptions, the reasonableness of its methodology, and the reasonableness of its results. The review shall be conducted within seven days following the date on which the actuarial cost estimate is provided to the actuary.
- 7) Review of Optional Annuity Form Table Changes or Annuity Reserve Factor Changes. For any optional annuity form table change or any annuity reserve factor change occurring after July 1, 2014, the Commission-retained actuary shall review the table or factor results for conformity with the applicable requirements of Minnesota Statutes, Section 356.215, of the Commission's Standards For Actuarial Work, and of any applicable professional standards and for the reasonableness of the results. The results of the review shall be reported to the Commission within 30 days of the receipt of the assignment from the executive director of the Commission.
- 8) Review of Prior Service Credit Purchase Payment Amount Determinations. For any prior service credit purchase payment amount determinations prepared after July 1, 2014, as requested, the Commission-retained actuary shall review the determination for conformity with Minnesota Statutes, Section 356.551, and for the reasonableness of the results. The results of the review shall be reported to the Commission within 30 days of the receipt of the assignment from the executive director of the Commission.
- 9) Presentations to the Commission, Provision of Advice, Special Studies or Research. If requested, the Commission-retained actuary shall make presentations to the Commission, shall provide advice to the Commission and Commission staff, and shall prepare special studies or research. The work product must be delivered to the Commission by the due date specified in the request.

III. Minnesota Public Employee Pension Plans Covered

There are 12 Minnesota public employee pension plans for which the actuary retained by the Commission will have responsibility for the review or replication of annual actuarial valuations. For the three largest plans by assets and membership, the Commission-retained actuary will be responsible to review periodic experience studies. For the various statewide and major local retirement plans, the actuary retained by the Commission, as requested by the Commission, will be responsible for the review of actuarial cost estimates for proposed pension legislation, for the review of optional annuity form table changes or annuity reserve factor changes, and for the review of prior service credit purchase payment amount determinations.

The following sets forth basic information on the 12 public pension plans for which the actuary retained by the Commission has substantial responsibilities:

Pension Plan	Coverage Group	Administrative Agency	2013 Active Membership	2013 Inactive Membership	2013 Retired Membership	2013 Assets (Thousands)	Investment Authority
1. General State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-General)	Most Minnesota state employees; Metro Agency employees	Minnesota State Retirement System (MSRS)	49,121	21,636	33,296	\$9,375,780	State Board of Investment (SBI)
2. MSRS Correctional State Employees Retirement Plan	Various state Dept. of Corrections and Dept. of Public Welfare employees	MSRS	4,384	1,609	2,374	\$701,091	SBI
3. State Patrol Retirement Plan	State Patrol officers; Bureau of Criminal Apprehension officers; DNR game wardens; Division of Gambling Enforcement officers	MSRS	845	59	983	\$552,319	SBI
4. Judges Retirement Plan	Supreme Court justices; Court of Appeals judges; District Court and County Court judges	MSRS	309	16	332	\$144,918	SBI
5. Legislators Retirement Plan	Legislators	MSRS	24	71	362	\$11,493	N/A ¹
6. General Employees Retirement Plan of the Public Employees Retirement Association	Non-public-safety county and municipal employees and non-teaching school district employees other than in Minneapolis	Public Employees Retirement Association (PERA)	139,763	165,455	79,083	\$14,113,295	SBI
7. Public Employees Police and Fire Retirement Plan	County public safety employees and municipal public safety employees not in local relief association	PERA	10,940	2,376	9,579	\$5,932,945	SBI
8. Local Government Correctional Plan	County correctional facility employees	PERA	3,493	4,048	690	\$346,778	SBI
9. MERF Division of PERA	Pre-1978 Minneapolis city and non-teaching Minneapolis school district personnel	PERA	64	57	3,909	\$868,813	SBI
10. Teachers Retirement Association (TRA)	Pre-1988 state university faculty, pre-1988 community college faculty and local school district teaching personnel outside Duluth or St. Paul	TRA	76,765	41,495	57,168	\$16,774,626	SBI

Pension Plan	Coverage Group	Administrative Agency	2013 Active Membership	2013 Inactive Membership	2013 Retired Membership	2013 Assets (Thousands)	Investment Authority
11. Duluth Teachers Retirement Fund Association (DTRFA)	Duluth school district teaching personnel	DTRFA	873	1,025	1,445	\$190,117	DTRFA Board
12. St. Paul Teachers Retirement Fund Association (SPTRFA)	St. Paul school district teaching personnel	SPTRFA	4,061	3,223	3,404	\$886,296	SPTRFA Board

Notes:

¹ The Legislators Retirement Plan does not have a separate retirement fund associated with it. Member contributions are credited to the State's General Fund when made and the employer contribution in the form of the balance of the pay-as-you-go obligation beyond member contributions is monthly. Post-1997 new legislators are covered by the Unclassified State Employees Retirement Program (MSRS-Unclassified), a defined contribution retirement plan. The former Elective State Officers Retirement Plan was recently merged into the Legislators Retirement Plan and did not have a separate retirement fund associated with it. Member contributions are credited when made to the State's General Fund and employer contributions in the form of benefit payments from the State's General Fund are made when due. Post-1997 new constitutional officers are covered by the MSRS-Unclassified State Employees Program, a defined contribution plan.

IV. Minimum Qualification Standards and Important Qualification Factors

The Commission requires that the actuarial firm to be retained must meet the definition of an approved actuary in Minnesota Statutes, Section 356.215, which requires a fellow of the Society of Actuaries.

The Commission also will consider the following elements in retaining a reviewing or auditing consulting actuarial firm:

- 1) Sufficient Firm Size. The extent to which the consulting actuarial firm has the capability to meet the Commission's needs as well as the needs of any other firm clients is an important factor.
- 2) Prior Public Pension Experience by Actuarial Firm. The experience of the actuarial firm in evaluating and forecasting the financial condition of large defined benefit pension plans for public employees is an important factor.
- 3) Prior Public Pension Experience by Assigned Firm Personnel. Because continuity is very important in establishing sound public policy in the pension area, the prior public pension plan experience of the firm personnel primarily assigned to the Commission's work and the potential for a long-term relationship with the Commission and continuity is an important factor.
- 4) Prior Reviewing/Auditing Actuary Experience. The prior experience of the actuarial firm and of the actuarial firm personnel proposed for assignment to Commission work in reviewing or auditing the work product of other actuaries is an important factor.
- 5) Accessibility. The availability of the firm personnel assigned to the Commission work to meet with the Commission, often on short notice during the legislative session between January and May, annually, is an important factor.
- 6) Absence of Contractual Liability Limits and Contractual Third-Party Reliance Disclaimers. The extent to which the consulting actuarial firm seeks to limit its liability with respect to errors in its actuarial work or to disallow reliance on actuarial results by third parties is an important factor.

V. Firm Information

In addition to indicating how the actuarial firm meets the minimum conditions described in section IV, the Commission requires the actuarial firm to demonstrate its qualifications through a narrative presentation of the following information:

- 1) Firm's Structure, Operational Method, and Communication Capability. Describe the structure of the actuarial firm and its operational method. Include in the description an indication of how the actuarial firm communicates pension fundamentals in an understandable manner to audiences of diverse and non-technical backgrounds.
- 2) Firm's Prior Public Pension Experience. Provide a description of any major public employee pension plan actuarial valuation and related experience by the actuarial firm rendered during the last five years and the degree of any consulting or other involvement by the actuarial firm with other elected public bodies.
- 3) Function of Assigned Firm Personnel and Prior Experience. For each non-clerical employee of the actuarial firm proposed to be assigned to Commission work, identify the Minnesota public employee pension plans or functions with which the person will be involved and indicate the person's prior public employee pension plan experience.
- 4) References. List five major retirement systems or businesses with defined benefit pension plans by which the actuarial firm previously has been retained, complete with the name and telephone number of a contact person, as references who can be contacted about the prior performance of the actuarial firm in providing actuarial services.
- 5) Client Additions and Subtractions. Provide a list of all new clients added by the actuarial firm and all former clients lost by the actuarial firm during the most recent five-year period.
- 6) Firm's Valuation System. Describe the valuation system of the actuarial firm, indicate whether the software proposed to be used has been obtained from an outside vendor or is proprietary software developed by the actuarial firm, and indicate the capabilities and procedures of the actuarial firm to retain prior actuarial valuation and related data.
- 7) Firm's Potential Conflicts of Interest. If the actuarial firm previously has been retained by a statewide or local Minnesota public pension plan, a Minnesota governmental employing unit, a Minnesota public employee labor union, or a comparable party interested in Minnesota public pension policy development, those relationships should be indicated. If the actuarial firm intends to continue any of these prior relationships during the course of a contract with the Commission, address the extent that the relationship constitutes a potential conflict of interest when providing services for the Commission and how the actuarial firm will deal with any actual conflicts.
- 8) Most Recent Audited Annual Financial Report. If the actuarial firm is publicly held, provide a copy of the firm's most recent audited annual financial report.

V. Approach and Work Plan

The actuarial firm must specify how it will provide the required and requested actuarial services within the specified timeframes and must indicate how its staff and the various projects will be organized to carry out the required tasks.

Further, the work plan must identify the person who will be assigned overall responsibility for the work and indicate the business office location of that person.

The actuarial firm must set forth its implementation procedures, which must specify:

- 1) how the work of the firm under the contract will be coordinated with the Commission staff;
- 2) the personnel who will be responsible for presenting reports and results to the Commission; and
- 3) the personnel who will be assigned as replacements in the event of the subsequent employment termination by or the non-availability of the primary assigned personnel.

VI. Actuarial Services Compensation

The contract will require that the actuarial firm provide all of the actuarial consulting services required by the Legislative Commission on Pensions and Retirement. The actuarial firm must indicate its specific required compensation amounts for the initial contract year and three subsequent years, as follows:

<u>Service</u>	<u>Compensation Method</u>
Review of the annual actuarial valuation reports for 11 plans annually	Fixed Fee
Replication of the annual actuarial valuation report for 1 plan annually	Fixed Fee
Review of the quadrennial experience studies for MSRS-General, PERA-General, and TRA	Fixed Fee
Review of the actuarial cost estimates for proposed benefit, contribution, actuarial assumption, or other changes	Rate per hour
Review of optional annuity form table or annuity reserve factor changes	Rate per hour
Review of prior service credit purchase payment amount determination	Rate per hour
Review of privatization gains or losses	Rate per hour
Attendance at Commission meetings other than for presenting fixed fee projects	Rate per hour
Provision of advice and counsel to the Commission or the Commission staff on pension benefit design and funding issues	Rate per hour
Preparation of special studies requested by the Commission	Rate per hour

The proposal should also contain the following items:

- 1) A schedule of current hourly rates that the actuarial firm charges to its other current clients for each level of personnel anticipated to be assigned to this contract;
- 2) A description of how any out-of-pocket expenses will be charged, if the out-of-pocket expense is not included in the fixed fee or the hourly fee;
- 3) A description of how any computer expenses will be charged, if the computer expense is not included in the fixed fee or the hourly fee, with an indication of the items that will be includable as computer costs and an indication of the amount of computer charges per time unit;
- 4) A description of how development costs will be charged, if not included in the fixed or hourly fees, and the estimate of development costs arising out of the actuarial services contract for:
 - a) any necessary changes to the firm's current computer systems;
 - b) any necessary changes for data entry;
 - c) gaining familiarization with the Minnesota pension plans and systems; and
 - d) obtaining other data and information necessary to perform actuarial services tasks; and
- 5) A description of the firm's billing practices, timing, and procedures.

VII. Affirmative Action

In accordance with the provisions of Minnesota Statutes, Section 363A.36, no bid for a contract in excess of \$100,000 may be accepted from an employer having more than 20 full-time employees at any time during the previous 12 months unless the employer has an affirmative action plan approved by the Minnesota Commissioner of Human Rights. The Commission will not accept a proposal unless it includes one of the following:

- 1) A copy of the actuarial firm's current certificate of compliance issued by the Minnesota Commissioner of Human Rights; or
- 2) A notarized statement certifying that the actuarial firm has a current certificate of compliance issued by the Minnesota Commissioner of Human Rights; or
- 3) A notarized statement certifying that the actuarial firm has not had more than 20 full-time employees located in the State of Minnesota at any time during the 12 months prior to submission of the proposal.

IX. Workers' Compensation

The successful proposer must submit acceptable evidence of compliance by the actuarial firm with the workers' compensation insurance coverage requirements of Minnesota law for any Minnesota employees before the execution of the contract.

X. Contents of Proposal

The Commission will only consider full and complete proposals. A full and complete proposal must contain the following items:

- 1) Evidence of compliance with minimum qualification standards as set forth in section IV.
- 2) Complete information as required in section V.
- 3) Specification of a work plan as set forth in section VI.
- 4) Specification of the particular required compensation amounts and descriptions of out-of-pocket expenses, computer expenses, and development costs, as outlined in section VII.
- 5) An affirmative action compliance document as required in Section VIII.
- 6) An indication of the actuarial firm's capability to produce actuarial valuations and experience study reports as specified in Minnesota Statutes, Section 356.215, and the current Commission Standards for Actuarial Work.
- 7) Copies of examples of your firm's best work product for a prior or current client communicating actuarial valuation, experience study and benefit cost estimate results.
- 8) A list of any past or current contractual arrangements with a Minnesota public employee pension plan, a Minnesota public employing unit, an organization of Minnesota public employees, or a comparable group or entity with an interest in Minnesota public pension policymaking, as provided in Section V.
- 9) A transmittal letter, signed by an officer of the actuarial firm or by a comparable official who has the authority to bind the actuarial firm to the proposed terms, which must include a list of all materials and enclosures included in the proposal.

XI. Contract Duration

The term of any contract for the provision of actuarial services will be for five years, without any extensions of the contract before rebidding. Required compensation amounts should be for the five-year period.

XII. Reservation

This Request for Proposal does not obligate the Commission or the Legislature to let a contract for the provision of reviewing or auditing actuarial services. Further, the Commission and the Legislature reserves the right to cancel this solicitation if adequate funding is not available to the Commission or if the Legislature or the Commission otherwise considers the cancellation to be in the best interest of the State of Minnesota.

XIII. Attachments

The following items, which constitute a part of this request for proposal, are available on the Commission website (www.lcpr.leg.mn):

- 1) Minnesota Statutes, Sections [3.85](#), [356.20](#), [356.214](#), [356.215](#), and [356.216](#).
- 2) Copy of the Commission's [Standards for Actuarial Work](#)

XIV. Evaluation

Proposals will be evaluated on the basis of the proposing actuarial firm's understanding of the scope of the services, approach and work plan, qualifications and capabilities, and compensation requirements. Proposals will be initially summarized by the Commission, a staff side-by-side comparison of the summaries will be prepared by the Commission staff, and the proposals, summaries, and comparisons will be reviewed by a four-member selection subcommittee of the Commission. Actuarial firms presenting the proposals that are evaluated by the Commission subcommittee as being the best proposals of those submitted will be invited for personal interviews and presentations before the Commission. The interviews will be conducted with the primary actuarial firm personnel who will be providing the major services to the Commission in the event that the actuarial firm is retained by the Commission. Final selection of the actuarial firm by the Commission is expected to be made before September 1, 2014.