

**COLLEGE SAVINGS MISSISSIPPI A PROGRAM OF  
THE MISSISSIPPI OFFICE OF THE STATE  
TREASURER**



**REQUEST FOR PROPOSALS  
RFP NUMBER 3120001043**

**ACTUARIAL CONSULTING SERVICES FOR THE  
MISSISSIPPI PREPAID AFFORDABLE COLLEGE  
TUITION PROGRAM**

**FEBRUARY 30, 2017**

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## **SECTION I**

### **GENERAL INFORMATION FOR RESPONDENTS**

#### **1.1 PURPOSE OF RFP**

The Office of the State Treasury (OST), on behalf of the Board of Directors of the College Savings Plans of Mississippi, is soliciting written proposals from qualified Vendors for the purpose of delivering actuarial consulting services for the Mississippi Prepaid Affordable College Tuition Program (MPACT). Mississippi law requires the board to “annually evaluate or cause to be evaluated the actuarial soundness of the fund.” The Board seeks the services of an actuary to conduct an annual review of the actuarial soundness of the MPACT Trust Fund, to provide actuarial and financial guidance, to recommend the cost of prepaid tuition contracts based on several types of payment options provided to the purchaser, and perform related actuarial services as necessary.

#### **1.2 OVERVIEW OF THE MPACT PROGRAM**

The College Savings Plans of Mississippi Board of Directors is composed of nine (9) voting members. Five board members are appointed by the Governor, one from each of the State’s original five congressional districts. The other four *ex-officio* board members are the State Treasurer, the Executive Director of the Department of Finance and Administration, the Commissioner of Higher Education, and the Executive Director of the Community and Junior College Board. There are also four legislative advisors to the Board, two appointed by the Lieutenant Governor and two appointed by the Speaker of the House of Representatives. The Board is responsible for two college savings programs: the Mississippi Prepaid Affordable College Tuition (MPACT) Program and the Mississippi Affordable College Savings (MACS) Program. MPACT and MACS are administered together as a division (Program Office) of the OST, under the administrative authority of the State Treasurer. The combined name for the two programs is the College Savings Plans of Mississippi (CSPM). For purposes of this RFP, the College Savings Plans of Mississippi Board of Directors and the OST will be collectively called “the Board”.

The Mississippi Legislature created the MPACT Program in 1996 to assist Mississippians in saving for the tuition cost associated with a college education. The purpose of the Program is to encourage and foster higher education in Mississippi. Financial statement audits have been completed for the fiscal years ended June 30, 1997 through 2016. The Program’s statutory authority and purpose are controlled by Sections 37-155-1 to 37-155-27 of the Mississippi Code.

#### **1.3 GLOSSARY OF TERMS**

- A. Board - The Board of Directors of the College Savings Plans of Mississippi. For purposes of this RFP, the College Savings Plans of Mississippi Board of Directors and the State Treasurer will be collectively called “the Board.”
- B. Contract - The document developed as a result of this RFP which shall incorporate, among other provisions, the contents of this RFP and the successful Vendor’s proposal to meet the requirements of this RFP.
- C. Contractor - The successful Respondent who is awarded a contract as a result of this RFP.
- D. CSPM – The College Savings Plans of Mississippi.
- E. MPACT - The Mississippi Prepaid Affordable College Tuition Program.
- F. Program - The Mississippi Prepaid Affordable College Tuition Program (MPACT).
- G. Purchaser - The Person or Entity meeting the statutory requirements, who purchases an MPACT contract.
- H. Respondent - Any firm, group, or person who submits a proposal in response to this RFP (may also be referred to as Vendor).
- I. Proposal - All materials submitted by Respondents in response to this RFP.
- J. RFP - Request for Proposal.
- K. State - The State of Mississippi and its departments, agencies, boards, commissions, officials, consultants, and employees.
- L. State Treasurer - The Treasurer of the State of Mississippi (may also be referred to as the Office of the State Treasurer, OST, or the Agency).
- M. Qualified Beneficiary - The child meeting the statutory requirements for whom an MPACT contract is purchased.
- N. Award - Award shall be made to the responsible Respondent whose proposal is determined in writing to be the most advantageous to the State taking into consideration price and the evaluation factors set forth in the RFP. No other factors or criteria shall be used in the evaluation.

O. Procurement Officer – Any Agency personnel duly authorized to enter into and administer contracts and make written determinations with respect thereto. The term also includes an authorized Agency representative acting within the limits of authority.

#### **1.4 QUESTIONS ABOUT THIS RFP**

Questions pertinent to understanding or clarification of this RFP must be in writing and addressed to:

Emelia Nordan  
Director, College Savings Plans and Policy  
Office of the State Treasurer  
P.O. Box 120  
Jackson, MS 39205  
Emelia.Nordan@treasury.ms.gov

If amendments to this RFP are necessary after the closing date for submitting proposals, the revisions will be provided only to those Vendors who have submitted proposals and have met the basic requirements of this RFP. Vendors will then have the opportunity to modify their proposals in conformance with the revisions.

Written responses to any and all questions received from respondents, along with any addendum to the RFP resulting from the questions received, will be sent to all Respondents by March 23, 2017, 5:00 PM (CDT).

#### **1.5 ACKNOWLEDGEMENT OF AMENDMENTS**

Respondents shall acknowledge receipt of any amendment to the RFP by signing and returning the amendment with the proposal, by identifying the amendment number and date in the space provided for this purpose on the amendment form, or by letter. The acknowledgement must be received by the Agency by the time and at the place specified for receipt of amended proposals.

#### **1.6 TIMETABLE**

The following time schedule will be strictly adhered to in all actions relative to this procurement:

- A. RFP to be issued on or before March 2 and March 9, 2017.
- B. Written questions about the RFP shall be received by the Board no later than March 16, 2017, 3:30 PM (CDT).
- C. Written responses to any and all questions received from Respondents, along with any addendum to the RFP resulting from the questions received, will be sent to all Respondents by March 23, 2017, 5:00 PM (CDT).
- D. All written proposals are due at the Office of the State Treasurer, 501 N. West Street in Jackson at 3:30 PM (CDT) on March 30, 2017. Any proposals not received by that time will not be considered.

### **1.7 PROPOSAL DEADLINE**

It is the Vendor's responsibility to assure that its proposal is delivered to the Board no later than 3:30 PM (CDT) on March 30, 2017. All proposals will be opened at that time. Late proposals will not be accepted and will be returned unopened to the Respondent. Proposals by fax or telephone will not be considered. A proposal may not be altered after the opening.

### **1.8 NEWS RELEASES**

The Board is the only entity authorized to issue news releases relating to this RFP, its evaluation, and award of any contract and performance thereunder.

### **1.9 BENEFIT**

Any contract resulting from this RFP is for the benefit of the MPACT Program, the participants and qualified beneficiaries of the Program, and the Contractor. Such contract is not for the benefit of any third party or person.

### **1.10 STANDARD CONTRACT**

The Board reserves the right to incorporate standard State of Mississippi contractual provisions into any agreement executed as a result of this RFP. Appropriate State contract laws, terms, and conditions will apply. The contract will be reviewed by the Board's legal counsel as to legality of form and compliance with State laws and the terms and conditions of this RFP. Once a final contract is agreed upon, said contract is subject to approval by the State of Mississippi's Personal Services Contract Review Board before final implementation.

### **1.11 PERIOD OF CONTRACT**

The duration of any contract resulting from this RFP shall be for a period of three (3) years, with two optional one-year renewals, contingent upon acceptable performance by the Contractor and sufficient monies being appropriated by the State Legislature.

A contract will be awarded to the Vendor whose proposal is determined to be the most advantageous to the State, taking into consideration the price and the evaluation factors set forth in the RFP.

### **1.12 INVOICING INFORMATION**

The Board cannot prepay for services rendered or goods delivered. Therefore, all invoices must be submitted in arrears. All Respondents must state in their proposal the invoicing interval, i.e., monthly, quarterly, etc., for each category of prices.

### **1.13 TYPE OF CONTRACT**

This contract will be a fixed price contract with payments made upon completion of tasks identified by each component identified within the proposal.

### **1.14 OWNERSHIP OF MATERIALS**

All materials and data produced for MPACT under a contract resulting from this RFP shall be owned by CSPM unless otherwise agreed to in writing by the Board.

### **1.15 INDEPENDENT CONTRACTOR**

Contractor shall, at all times, be regarded as and shall be legally considered an independent Contractor and shall at no time act as an agent for the State. Nothing contained herein shall be deemed or construed by the State, Contractor, or any third party as creating the relationship of principal and agent, master and servant, partners, joint ventures, employer and employee, or any similar such relationship between the State and Contractor. Neither the method of computation of fees or other charges, nor any other provision contained herein, nor any acts of the State or Contractor hereunder creates, or shall be deemed to create a relationship other than the independent relationship of the State and Contractor. Contractor's personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of the State. Neither Contractor nor its employees shall, under any circumstances, be considered servants, agents, or employees of the OST and the

OST shall be at no time legally responsible for any negligence or other wrongdoing by Contractor, its servants, agents, or employees. The OST shall not withhold from the contract payments to Contractor any federal or state unemployment taxes, federal or state income taxes, Social Security tax, or any other amounts for benefits to Contractor. Further, the OST shall not provide to Contractor any insurance coverage or other benefits, including Worker's Compensation, normally provided by the State for its employees.

#### **1.16 SECURITY / NONDISCLOSURE STATEMENT**

Notwithstanding any provision to the contrary contained herein, it is recognized that OST is a public agency of the State of Mississippi and is subject to the Mississippi Public Records Act. Miss. Code Ann. §§ 25-61-1 *et seq.* (1972, as amended). If a public records request is made for any information provided to OST pursuant to the agreement, OST shall promptly notify the disclosing party of such request and will respond to the request only in accordance with the procedures and limitations set forth in applicable law. The disclosing party shall promptly institute appropriate legal proceedings to protect its information. No party to the agreement shall be liable to the other party for disclosures of information required by court order or required by law.

### **SECTION II SCOPE OF SERVICES REQUESTED**

#### **2.1 REQUIRED SERVICES**

The following is an analysis, by the Board, of the major actuarial services required. This analysis is not all-inclusive and may require additional information as determined by either the Board or the Contractor. The Contractor is not constrained from supplementing this list with additional steps, sub-tasks or elements deemed necessary to carry out the objectives and tasks. The firm is allowed to inform the Board of other tasks or items pertinent to the successful delivery of actuarial services solicited through this RFP.

#### **2.2 GENERAL RESPONSIBILITIES OF THE CONTRACTOR**

- A. The Contractor shall be expected to treat all information as confidential and shall not release any information without the prior written approval of the Board.
- B. All working papers, reports, and other documentation prepared under the performance of this response or contract are the property of the Board and shall be submitted to the OST upon the completion of each individual project or as requested by the Board.
- C. The Contractor shall obtain from the OST or other sources the data or statistical information necessary for performing the work described in this RFP. The majority of this information is available in the records and files of MPACT, its third party Records Administrator, the Board of Trustees of State Institutions of Higher Learning, and the Mississippi Community College Board.



- D. The Contractor shall channel all requests, reports and all other communications in connection with this contract through the OST.
- E. The professional actuarial services for MPACT shall be performed under the direct supervision of a member of the Contractor's firm who meets or exceeds the standards for a supervising actuary. The Board reserves the right to reject the Contractor's choice of the supervising actuary and may terminate the contract if a supervising actuary, acceptable to the Board, cannot be made available by the Contractor.
- F. The Contractor shall ensure that any change in its staff will result in a minimum of disruption to the services provided and assurance of comparable qualifications and skills.
- G. The Contractor shall document ideas and issues raised in discussions and meetings. All actuarial certificates on pricing, final reports, presentations of assumptions, and similar technical documentation from the Contractor must be approved and signed by the supervising actuary.

## **2.3 CONSULTING SERVICES**

The Contractor shall:

- A. Submit to the Board complete and comprehensive written annual reports which analyze the actuarial soundness of the current prepaid tuition program trust fund. Provide expert advice and guidance regarding any financial, actuarial, pricing, and policy issues which may affect the actuarial soundness of the MPACT Trust Fund. This includes any technical, administrative, or policy issues arising during the course of operations under this contract. This information shall be provided by occasional meetings, routine calls, and written reports and correspondence.
- B. Assist in establishing specifications for MPACT office data files, computer database, and computer accounting system. Periodically review the form and content of data files maintained and make recommendations for modifications, additions, or deletions that will insure the maintenance of the full range of data needed for program pricing, actuarial studies, and analyses is preserved.

It is expected that the Contractor will maintain a separate database in order to individually reconcile and sort data such as college enrollment, tuition, contract, and investment data from one year to the next and to test the accuracy of the submitted data. This database will be used to perform the cumulative analyses, without further data or technical assistance being provided by the OST. The OST will provide copies of its existing data files and periodic updates on disk to the approved Contractor; however, the Contractor must keep this information confidential unless otherwise approved by the Board.

- C. Interact with the OST's counsel as necessary to determine any tax consequences or change in tax status of any pending or potential litigation. This interaction includes the study of various investment strategies and alternatives that impact the MPACT Program.
- D. Interact with the OST's legal counsel to determine if pending legal issues may affect the actuarial soundness of the program.
- E. Be readily accessible to the OST staff by telephone within one working day, and be available for meetings in Jackson within five working days of request.
- F. Be available to provide periodic educational presentations to the Board, and to give expert testimony to various authorities, including the State Legislature and key policy staff, if the need arises. Appear at selected meetings and hearings for discussion of actuarial status, pricing, investment strategy, impact of tuition rates, or other issues regarding MPACT.
- G. Provide guidance and advice regarding prepaid tuition program structure, the customer purchasing options, pricing structure, payment plans/options, sale periods and terms, frequency, and other aspects of the programs enrollment and sales periods.
- H. Analyze and make recommendations relative to possible improvements in the cost structure and accounting methods used to determine fees and expenses assessed. Keep the Board apprised of current trends, methods, and progress within the actuarial profession and the educational field to enhance the program.
- I. Consult with the Board and evaluate the effect of any proposed legislative changes regarding the cost of the program, participation rates, the program's actuarial soundness, etc. Provide actuarial review of any program amendments to MPACT's enabling legislation.
- J. Provide guidance and advice regarding any new actuarial issues that may affect MPACT which arise during the term of the contract. Keep the Board advised on developments in federal legislation and/or regulations regarding college financing, tuition rates, etc.

The above consulting services will require a minimum of two visits to Jackson per year, including meeting(s) to review the annual valuation and analysis, pricing, recommended changes to the cost structure, changes for the following year analysis, and meeting time provided for input and advice concerning any other unforeseen program changes requiring actuarial input.

## **2.4 ANALYSES**

- A. Perform annual actuarial valuation and analysis. Prepare tuition pricing report for MPACT Trust Fund and examination of program participants at the end of each State fiscal year. Reports for these analyses shall be delivered to the OST by the Contractor within one month after MPACT has delivered comprehensive program data and preliminary financial statements for the analyses to the Contractor.
- B. When the actuarial analysis is performed, if it results in the recommended adoption of any assumptions which differ from those used for the prior analysis, the Contractor shall include in the analysis results using both the old and new assumptions, reasons for the difference, and documentation to support the analysis and recommendations.
- C. Provide one or more sensitivity analyses (estimate of any increases or decreases in the obligations of MPACT if the assumptions are incorrect or changed for any given year) based on variations in tuition rates and investment rates of return.
- D. Develop a thorough cash-flow analysis of the MPACT Trust Fund's assets and liabilities, which includes a forecast of future financial obligations based on, but not limited to: the age or grade of the beneficiary, tuition rates, years remaining before payment is due, investment returns, pricing strategy, sales results, etc.
- E. For each enrollment or sales period, determine and recommend an annual base yearly tuition cost and related pricing options. Included shall be enrollment or tuition prices for several types of customers and payment plans over a variety of annual or monthly terms. Pricing recommendations should provide the Board the opportunity to factor in their assumptions as to expected tuition increases, investment rates of return, administrative expenses, numbers of new participants, etc. Program administrative expenses are covered by revenues or investment earnings; therefore, administrative expenses must be taken into consideration when determining contract pricing and enrollment fees. The OST will provide the Contractor with information regarding administrative expenses.
- F. Provide a pricing analysis which describes the changes in the enrollment costs from year to year and the reasons for those changes, based on a comparison of actual verses projected tuition rates and investment rates of return according to each of the various actuarial assumptions. At a minimum, annual and cumulative analyses shall be performed for each type of enrollment or group of participants and the purchase plans offered.
- G. Analyze data regarding tuition and benefits payments, increases or decreases in contract values and adjust cash-flow statements accordingly.
- H. Annually assess the fund surplus and recommend strategies for building a reserve fund of retained earnings and reaching the desired amount or level. Project probability of fund's ability to meet future obligations using industry standards or establish target level and methods to assure suggested comfort level. Determine the level of income needed to meet future payouts over an extended period of time.

- I. Work in harmony with the Board's investment advisors. Project future rates of return to be made on investments of the MPACT Trust Fund. Provide consultation and assess MPACT's investment strategy and policy for proper alignment to assure asset allocation and portfolio goals are appropriately structured to meet future obligations. Perform analyses of MPACT's investment portfolio, projected revenues, and anticipated liabilities to determine if any changes in investment strategy are recommended.
- J. Forecast future tuition rates for in-state and out-of-state, public and private universities, colleges, and community or junior colleges. Analysis should include data from Mississippi's 4-year public universities and 2-year public community colleges to determine weighted average tuition rates based on historic data, current trends, and future projections by experts in the field.
- K. Provide input to determine whether or not it is necessary to limit the number of participants to be accepted into the program each year and, if it is necessary; determine the maximum number to be accepted. Provide a range of possible enrollment costs based on the number of participants allowed or expected to enter the program. Also determine if there should be a limit on the number of enrollments accepted at each age group, price range, or contract type.
- L. Forecast the number of potential enrollments and beneficiaries (including their demographics) expected to actually take advantage of the program and once they have enrolled the number of beneficiaries expected to use benefits, transfer benefits, or terminate from the program and request a refund.
- M. The Contractor's study of non-economic assumptions in the analyses shall include, but not be limited to, college enrollment rates, tuition rates, termination and refund rates, dropout rates for purchasers on monthly payment plans, potential bias for attendance at certain colleges, death and disability, etc.
- N. Provide timely information and future liability figures necessary for MPACT to prepare its financial statements, annual report or other necessary reports. Calculation of future liability is crucial to the completion of MPACT's annual financial audit. Provide a certified summary statement on the soundness of the fund for the annual report.
- O. The Contractor shall retain on file the necessary detailed information for the actuarial analysis to produce the cumulative analysis without further data from MPACT (except for data covering periods before the Contractor is retained). Data files will be available and downloaded at least once a year, at the end of the State's fiscal year.
- P. By special request, develop special analyses and provide various tables, matrices, supporting documentation, and other materials needed by the Board for reports, marketing efforts, legislative testimony, or other purposes. These include, but are not

limited to, current enrollments, participation rate projections, tuition rates, college enrollment patterns, administrative expenses, taxes, investment results, program costs by type of program option or purchase plan and age of child, or the child's grade in school, etc.

- Q. Actuarial analyses shall contain a glossary of terms and sufficient explanatory text to permit a reasonable understanding of the actuarial assumptions, cost methods and conclusions by competent actuaries and by persons knowledgeable in the education field. This shall include, but not be limited to, an executive summary and charts of the valuation, description of actuarial assumptions and cost methods, and matrices of the costs for different age children or age groups by purchase plan method and type of contract.

## **2.5 REPORTS**

The Contractor shall submit to the OST, twenty (20) paper copies of each actuarial report and one (1) electronic version when they are completed. In addition, for any other reports submitted by the Contractor, twenty (20) copies and one (1) electronic copy shall also be provided. Draft copies of the final reports shall be submitted to the OST for review for completeness and factual accuracy.

The Contractor must be willing to provide any special reports which may be required and which must be developed from the records of the Contractor for the Board.

## **SECTION III INFORMATION REQUIRED FROM RESPONDENTS**

### **3.1 MINIMUM INFORMATION TO BE INCLUDED IN THE PROPOSAL**

- A. The name of the Vendor, the location of the Vendor's principal place of business and, if different, the place of performance of the proposed contract;
- B. The age of the Vendor's business and average number of employees over a previous period of time, as specified in the Request for Proposal;
- C. The abilities, qualifications, and experience of all persons who would be assigned to provide the required services;
- D. A listing of other contracts under which services similar in scope, size, or discipline to the required services were performed or undertaken within a previous period of time, as specified in the Request for Proposal; and,
- E. A plan giving as much detail as is practical explaining how the services will be performed.

### **3.2 PROPOSAL FORMAT**

- A. Each proposal must address in writing each requirement in all sections of this RFP and must be in the same format and sequence as the details presented herein. The requirements stated in this RFP should be considered mandatory unless otherwise stated. Any failure to respond to a specific requirement may be the basis for a Respondent being eliminated from consideration.
- B. The Board reserves the right to accept or reject any and all proposals and/or part thereof and to award the issuing contract in the best interest of MPACT and the State of Mississippi.
- C. Respondents should respond to every section of the RFP with the word “Acknowledged” and every requirement in the Scope of Services (Section II) must be addressed in detail in the proposal.

### **3.3 SUFFICIENCY OF PROPOSAL**

Respondents must submit proposals which sufficiently address each requirement and service outlined in Section II above. The Respondent shall provide information specifically describing its approach to providing each service listed, the manpower which will be devoted and required to fulfill each task, and the proposed schedule of time required to complete each task. Respondent shall identify all employees by name who will participate in this contract and the nature and scope of the duties and responsibilities of each such employee.

The Board reserves the right to determine which Respondents have met the basic requirements of this RFP, and to determine whether any deviation from the requirements of the specifications, terms, and conditions contained herein is merely minor or technical in nature. The right to accept proposals which deviate in minor, immaterial or technical fashion is also reserved. Only those Respondents who have met the basic requirements of this RFP will be considered. Proposals which have not done so will be rejected. The Board reserves the right to reject any and all proposals. Failure to meet any of the contractual obligations may result in cancellation of any award.

### **3.4 FEE INFORMATION**

Total all-inclusive maximum price: All services described within this RFP should be performed for an all-inclusive amount. List fees in Appendix A on a per year basis. The Board will not be responsible for expenses incurred in preparing and submitting the firm’s proposal.

Rates for Additional Professional Services: If it should become necessary for the Board to request the actuary to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the Board and the Contractor. Any such additional work agreed to between the Board and the Contractor shall be performed at a mutually agreed upon rate. Please provide a per hour rate.

Manner of Payment: Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost proposal. Interim billings shall cover a period of no less than a calendar month. In no case will the Board pay in advance for work not yet performed. The Board reserves the right to withhold up to ten percent (10%) from each invoice pending completion of the firm's final report and delivery of all requested memoranda, notes, and adjustments.

### **3.5 RESPONDENT'S ORGANIZATION AND CREDENTIALS**

Proposals must include substantial evidence of the Respondent and its staffs' ability to undertake the services required and outlined in this RFP. Proposals must include the following:

- A. Name of each staff member or subcontractor (if any) that the firm proposes to use in fulfilling its responsibilities.
- B. The submission of detailed statements which cite the qualifications of the Respondent as a whole as well as the qualifications of each participating staff member within the firm fulfilling their responsibilities hereunder.
- C. Description of the experience of staff, including the number of years, in providing actuarial services.
- D. Organization chart of the firm and indicate the position of each of the above personnel.
- E. Name of person(s) who will be assigned major roles in the fulfillment of the work obligations outlined under Section II and resumes for such should be provided.
- F. Statement of the percentage of time that each person will be available to perform the work under the contract.
- G. Statement of the willingness of the Respondent to provide adequate on-site support

as needed.

H. Names of at least three (3) clients currently using similar skills, services, and products of the Respondent as identified in this RFP. The name of a contact person, title, address, and telephone number for each customer shall also be specified. The Board reserves the right to contact each reference listed in the Respondent's proposal.

I. Certification that the Respondent is in compliance with all current contracts.

### **3.6 QUALITY MANAGEMENT PRACTICES**

Each Respondent shall describe its quality management practices and achievements in same. Respondent shall include examples of current quality reporting.

### **3.7 PLAN TO IMPLEMENT SCOPE OF SERVICES**

Each Respondent shall provide a written statement of its firm's understanding of the services requested herein as well as a detailed written plan outlining how the firm proposes to go about providing services required by Section II.

### **3.8 USE OF SUBCONTRACTORS**

If the Respondent proposes to use one or more subcontractors, the proposal must identify the contemplated subcontractors and must include evidence of each subcontractor's ability to fill its respective duties.

### **3.9 REGULATORY RESTRICTIONS AND LITIGATION**

Each Respondent must describe in detail any past or pending regulatory restrictions, consent orders, or litigation to which the Respondent's firm or any of its principals, owners, directors, or officers have ever been a party. Proposal must indicate if any principals, owners, directors, or officers have been convicted of a felony. If so, a detailed description of each incident must be included.

### **3.10 COPIES OF PROPOSALS**

Respondents shall deliver ten (10) paper copies of their sealed proposal to the Office of the State Treasurer, 501 N. West Street, Jackson. Also, the respondent must include one (1) digital file of the proposal either by usb drive, secure email, or similar means.



### **3.11 ECONOMY OF PRESENTATION**

Each proposal shall be prepared simply and economically providing a straightforward, concise delineation of the Respondent's capabilities to satisfy the requirement of the RFP.

### **3.12 DISCUSSIONS**

Discussions may be conducted with Respondents who submit proposals determined to be reasonably susceptible of being selected for award, but proposals may be accepted without such discussions.

### **3.13 COST OF DEVELOPING AND SUBMITTING PROPOSALS**

Neither MPACT, the State Treasurer, the Board, nor the State of Mississippi is liable for any of the costs incurred by a Respondent in preparing or for submitting a proposal in response to this RFP.

### **3.14 PROPERTY OF MPACT**

All proposals become the property of the Board upon receipt and will not be returned to the Respondent once opened. The Board has the right to use any and all ideas or adaptations of ideas contained in any proposal received as a result of this RFP. Selection or rejection of the proposal will not affect this right. Proposals become public documents upon submission.

### **3.15 ACCEPTANCE OF PROPOSAL**

The Board reserves the right, in its sole discretion, to waive minor irregularities in proposals. A minor irregularity is a variation of the RFP which does not affect the price of the proposal, or give one party an advantage or benefit not enjoyed by other parties, or adversely impact the interest of the Board. Waivers, when granted, shall in no way modify the RFP requirements or excuse the party from full compliance with the RFP specifications and other contract requirements, if the party is awarded the contract.

### **3.16 RFP DOES NOT CONSTITUTE ACCEPTANCE OF OFFER**

The release of the Request for Proposal does not constitute an acceptance of any offer, nor does such release in any way obligate the Board to execute a contract with any other party. The Board reserves the right to accept, reject, or negotiate any or all offers on the basis of the evaluation criteria contained within this document. The final decision to execute a contract with any party rests solely with the Board.

### **3.17 PROPOSALS TO BE SIGNED AND SEALED**

All proposals must be submitted to MPACT in a sealed envelope. The face of the envelope shall contain the date of proposal opening (March 30, 2017) and the words "Proposal for Actuarial Consulting Services RFP." Proposals that do not comply with these conditions are subject to rejection. The proposal shall be signed by an officer or agent of the Respondent who is empowered to bind it in a contract. If the proposal is signed by an agent, then written authorizations empowering the agent to bind the Vendor must accompany the proposal.

### **3.18 FACILITIES**

The State may enter a Contractor's place of business to:

- A. Inspect services for acceptance by the State pursuant to the terms of a contract;
- B. Audit cost or pricing data or audit the books and records of any Contractor or subcontractor pursuant to Section 3-602 (Right to Audit Records) of these Regulations; and,
- C. Investigate in connection with an action to debar or suspend a person from consideration for award of contracts pursuant to Section 5-101 (Authority to Debar or Suspend).

Mississippi contracts may provide that the State may inspect services at the Contractor's or subcontractor's facility and perform the tests to determine whether they conform to solicitation requirements or, after award, to contract requirements and are, therefore, acceptable. Such inspections and tests shall be conducted in accordance with the terms of the solicitation and contract.

Inspections or tests shall be performed so as not to unduly delay the work of the Contractor or subcontractor. The presence or absence of an inspector shall not relieve the Contractor or subcontractor from any requirements of the contract.

When an inspection is made in the place of business of a Contractor or subcontractor, such Contractor or subcontractor shall provide without charge all reasonable facilities and assistance for the safety and convenience of the person performing the inspection or testing.

Inspection or testing of services performed at the place of business of any Contractor or subcontractor shall be performed at reasonable times.

### **3.19 PRIMARY RESPONSIBILITY FOR DELIVERING SERVICES**

The Vendor whose proposal is selected by MPACT will be expected to assume

immediate responsibility to the Board for providing the services of actuarial consulting services. Accordingly, the successful Respondent will be expected to designate a specific person(s) to work with OST staff in making certain that all contract terms are strictly observed.

### **3.20 USE WARRANTY**

It will be a requirement of this RFP, any duly issued purchase order, and any contract or other agreement executed between the Board and the successful Respondent, that the successful Respondent warrants the use of all items and products (including equipment, software, data storage, media, support services, etc.) provided by the Respondent in conjunction with this RFP to function adequately and properly. If necessary, the Contractor shall, at their own expense, correct, repair, or replace all defective work and materials.

### **3.21 TRADE SECRETS/ PROPRIETARY DATA**

Respondents may designate those portions of the proposal which contain trade secrets or other proprietary data which may remain confidential in accordance with Mississippi Code Annotated §22-61-9 and §79-23-1.

## **SECTION IV EVALUATION**

### **4.1 PROPOSAL SUBMISSION**

Only proposals received on time, in the format required, with the required content will be evaluated by the evaluation committee.

### **4.2 EVALUATION CRITERIA**

If a Respondent does not meet all of the requirements set forth in this RFP, the Respondent's proposal will be rejected by the Evaluation Committee as non-responsive. Written proposals will be evaluated and judged by the Evaluation Committee. Minimum required score of 80 points and a maximum of 100 points is based on the following criteria:

- A. The plan for performing required services in Section II. (20%)
- B. Ability to perform the services as reflected by technical training and education, general experience, specific experience in providing the required services, and the

qualifications and abilities of personnel proposed to be assigned to perform the services. (20%)

- C. The personnel, equipment, and facilities to perform the services currently available or demonstrated to be made available at the time of contracting. (20%)
- D. Records of past performance of similar work. (15%)
- E. Price submitted on Appendix A. (25%)

#### **4.3 EVALUATION REVIEW PROCESS**

- A. OST staff will develop a log of all Respondents and the date and time their proposals were received.
- B. OST staff will open all proposals and determine if proposals are unacceptable or non-responsive and immediately send written notices to Respondents whose proposals fall within these categories explaining why their proposals were categorized as unacceptable, non-responsive, or non-responsible.
- C. The Evaluation Committee will review all acceptable proposals and complete an objective evaluation of each proposal.
- D. OST staff will develop an evaluation tally sheet based on evaluator rankings which will indicate the top three highest ranking Respondents.
- E. The top three ranking Respondents, who score above the minimum score of 80, will be considered as finalists that may be contacted to make oral presentations. If an oral presentation is required, Respondent shall include, at a minimum, the following: representative(s) of the Respondent, person(s) able to answer the Evaluation Committee's questions regarding the written proposal, and the actual person(s) who will be responsible for actuarial valuation for MPACT. The oral presentations, if necessary, are only intended to allow clarification of the written proposals and to enable the Evaluation Committee to ask questions regarding the written proposals, not to make substantive changes to the written proposals.
- F. After presentations, the Evaluation Committee will select the most qualified finalist.
- G. The Board shall negotiate a contract with the selected finalist.
- H. If a satisfactory contract cannot be reached, the Board will authorize negotiations with the second most qualified finalist.

- I. All Respondents, successful or unsuccessful, may request a post-award Vendor debriefing, in writing, by U.S. mail or electronic submission, to be received by the Agency within three (3) business days of notification of the contract award. A Respondent debriefing is a meeting and not a hearing; therefore, legal representation is not required. If a Respondent prefers to have legal representation present, the Respondent must notify the Agency and identify its attorney. The Agency shall be allowed to schedule and/or suspend and reschedule the meeting at a time when a representative of the Office of the Mississippi Attorney General can be present.
- J. However, the Evaluation Committee reserves the right to accept or reject any and all proposals and/or part thereof and to award the issuing contract in the best interest of MPACT and the State of Mississippi. The information submitted by any Respondent will be used by the Board for a technical and cost evaluation. The Board reserves the right to use any other information which it obtains in order to evaluate the proposals and make the award.

## **SECTION V**

### **TERMS AND CONDITIONS**

#### **5.1 GENERAL TERMS**

The negotiated contract between MPACT the Board and successful Respondent shall incorporate this RFP, amendments to this RFP, and the Vendor's proposal as an integral part of the contract. The Board reserves the right to clarify any contractual relationship in writing and such written clarification shall govern, in case of conflict, with the applicable requirements stated in this RFP.

#### **5.2 CONTENTS OF CONTRACT**

The contents of the Respondent's proposal will become contractual obligations if the proposal is accepted. A contract between the Board and the successful Respondent will also include at least the following provisions:

- A. Applicable Law - The contract shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflicts of laws, provisions, and any litigation with respect thereto shall be brought in the courts of the State. The Contractor shall comply with applicable federal and state local laws and regulations.
- B. Availability of Funds - It is expressly understood and agreed that the obligation of the

Board to proceed under this agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds. If the funds anticipated for the continuing fulfillment of the agreement are, at any time, not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the Program under which funds were provided or if funds are not otherwise available to the OST, the Board shall have the right upon ten (10) working days written notice to the Contractor, to terminate this agreement without damage, penalty, cost or expenses to the Board of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

C. Procurement Regulations - The Contract shall also be governed by the applicable provisions of the Personal Service Contract Review Board Regulations, a copy of which is available at 210 East Capitol Street Suite 800, Jackson, MS for inspection, or downloadable at [www.mspb.ms.gov](http://www.mspb.ms.gov).

D. Compliance With Laws - The contractor understands that the OST is an equal opportunity employer and therefore, maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful and the contractor agrees during the term of the agreement that the Contractor will strictly adhere to this policy in its employment practices and provision of services. The Contractor shall comply with, and all activities under this agreement shall be subject to, all applicable federal, State of Mississippi, and local laws and regulations, as now existing and as may be amended or modified.

E. Stop Work Order -

1. *Stop Work Order* - The procurement officer, may, by written order to the Contractor at any time, and without notice to any surety, require the Contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the Contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the procurement officer shall either:

- a. cancel the stop work order; or,
- b. terminate the work covered by such order as provided in the Termination Clause or the Termination for Convenience Clause of this contract.

2. *Cancellation or Expiration of the Order*: If a stop work order issued under this clause is cancelled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the Contractor shall have the right to resume work. An appropriate adjustment shall be made in the delivery schedule or

Contractor price, or both, and the contract shall be modified in writing accordingly, if:

- a. the stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and,
- b. the Contractor asserts a claim for such an adjustment within 30 days after the end of the period of work stoppage; provided that, if the procurement officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this contract.

3. *Termination of Stopped Work:* If a stop work order is not cancelled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed by adjustment or otherwise.

4. *Adjustments of Price:* Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the price adjustment clause of this contract.

- F. Representation Regarding Contingent Fees - Respondent has not retained a person to solicit or secure a State contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except as disclosed in the Contractor's proposal.
- G. Representation Regarding Gratuities - Respondent has not violated, is not violating, and promises that it will not violate the prohibition against gratuities set forth in Section 6-204 (Gratuities) of the Mississippi Personal Service Contract Procurement Regulations.
- H. Acknowledgement of Amendments - Respondents shall acknowledge receipt of any amendment to the solicitation by signing and returning the amendment with the proposal, by identifying the amendment number and date in the space provided for this purpose on the proposal form, or by letter. The acknowledgment must be received by the Board by the time and at the place specified for receipt of proposals.
- I. Certification of Independent Price Determination - The Respondent certifies that the prices submitted in response to the solicitation have been arrived at independently and without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Respondent or competitor relating to those prices, the intention to submit a proposal, or the methods or factors used to calculate the prices proposal.
- J. Prospective Contractor's Representation Regarding Contingent Fees - The Respondent represents as a part of such contractor's proposal that such contractor has/has not retained any person or agency on a percentage, commission, or other contingent arrangement to secure this contract.

- K. E-Payment – Contractor agrees to accept all payments in United States currency via the State of Mississippi’s electronic payment and remittance vehicle. The agency agrees to make payment in accordance with Mississippi law on “Timely Payments for Purchases by Public Bodies,” Mississippi Code Annotated § 31-7-301, *et seq.*, which generally provides for payment of undisputed amounts by the agency within forty-five (45) days of receipt of invoice.
- L. E-Verification - Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Mississippi Code Annotated §§ 71-11-1 and 71-11-3, and will register and participate in the status verification system for all newly hired employees. The term “employee,” as used herein, means any person that is hired to perform work within the State of Mississippi. As used herein, “status verification system” means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor agrees to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State. Contractor further represents and warrants that any person assigned to perform services hereafter meets the employment eligibility requirements of all immigration laws of these warranties, the breach of which may subject Contractor to the following:
1. termination of this agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years with notice of such cancellation/termination being made public;
  2. the loss of any license, permit, certification or other document granted to Contractor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year; or,
  3. both-in the event of such termination/cancellation, Contractor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.
- M. Transparency - This contract, including any accompanying exhibits, attachments, and appendices, is subject to the “Mississippi Public Records Act of 1983,” codified as section 25-61-1 *et seq.*, Mississippi Code Annotated and exceptions found in Section 79-23-1 of the Mississippi Code Annotated (1972, as amended). In addition, this contract is subject to the provisions of the Mississippi Accountability and Transparency Act of 2008 (MATA), codified as Section 31-7-13 of the Mississippi Code Annotated (1972, as amended). Unless exempted from disclosure due to a court-issued protective order, this contract is required to be posted to the Department of Finance and Administration’s independent agency contract website for public access. Prior to posting the contract to the website, any information identified by the Contractor as trade



secrets, or other proprietary information including confidential vendor information, or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes will be redacted.

- N. Trade Secrets, Commercial and Financial Information. It is expressly understood that Mississippi law requires that the provisions of this contract which contain the commodities purchased or the personal or professional services provided, the price to be paid, and the term of the contract shall not be deemed to be a trade secret or confidential commercial or financial information and shall be available for examination, copying, or reproduction.
- O. Paymode – Payments made by state agencies using the Mississippi Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. These payments shall be deposited into the bank account of the Contractor's choice. The State, may at its sole discretion, require the Contractor to submit invoices and supporting documentation electronically at any time during the term of this agreement. Contractor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in the United States currency.
- P. Personnel - A provision whereby MPACT may request replacement of any Respondent personnel believed to be unable to carry out the responsibilities of the contract at any time. The Board shall have the right to approve the assignment of any Respondent personnel to the program. The Respondent shall warrant that personnel assigned to perform tasks in proposal to this RFP will remain assigned for the agreed upon length of time and will not be replaced or reassigned except by mutual agreement between the parties.
- Q. Independent Contractor - A provision whereby the Board and the Respondent represent that they are acting in their individual capacities and not as agents, employees, partners, or associates of one another.
- R. Modification of Contract - The Board reserves the right to modify services required during the course of this contract. Such modification may include changing the scope of service and/or any other modifications deemed necessary. Changes in the scope of services may be increased or decreased.
- S. Delegation and/or Assignment - The Contractor shall not delegate any duties under this contract to a subcontractor other than a subcontractor named in the proposal unless the Board has given prior written consent to the delegation. The Contractor may not assign the right to receive money due under the contract without the prior written consent of the Board.

- T. Public Access to Records - All documents, papers, letters, or other materials relating to this contract that are made or received by the Respondent in conjunction with the contract, and which are required by law to be maintained, must be available for public access and for audit purposes for the period of times specified by the Board after expiration of the contract.
- U. Indemnification - The Contractor shall indemnify and hold harmless the Board and its agents and employees from and against all claims, damages, losses, and expenses including attorney's fees arising out of or resulting from the performance of the work, which includes all labor, material, and equipment required to produce the commodity, construction, and/or service required by the contract, provided that any such claim, damage, loss, or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of use resulting there from, and (2) is caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them regardless of whether or not it is caused in part by a party indemnified hereunder.

In any and all claims against the Board or any of its agents or employees by any employee of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Indemnification Agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor or any subcontractor under worker's disability compensation acts, disability benefit acts, or other employee benefit acts.

The obligations of the Contractor under this Indemnification Agreement shall not extend to the liability of the Board, its agents, or employees arising out of (1) the preparation or approval of opinions, reports, surveys, designs or specifications, or (2) the giving of or the failure to give directions or instructions by the Board, its agents or employees provided such giving or failure to give is the primary cause of the injury or damage.

- V. Waiver - Failure of either party to this contract to object to or take affirmative action with respect to any conduct of the other which is in violation of the terms of this contract shall not be construed as a waiver of the violation or breach or of any future violation or breach.
- W. No Limitation of Liability - Nothing in this agreement shall be interpreted as excluding or limiting any tort liability of Contractor for harm caused by the intentional or reckless

conduct of Contractor or for damages incurred through the negligent performance of duties by Contractor or the delivery of products that are defective due to negligent construction.

X. Warranties of Respondent - Respondent covenants and warrants as follows:

1. It is lawfully organized and constituted under all federal, state, and local laws and ordinances in other authorities of its domicile, and is otherwise in full compliance with all legal requirements of its domicile.
2. It is possessed in the legal authority and capacity to enter into and perform this contract.
3. It has been duly authorized to operate and do business, in all places where it will be required to conduct business under this contract; that it has obtained, at no cost to the State of Mississippi, all necessary licenses and permits required in connection with this contract, and that the Respondent will fully comply with all laws, decrees, labor standards, and regulations of its domicile and wherever performance occurs during the contract period.
4. It has no present interest nor shall acquire any interest which would conflict in any manner with the Respondent's duties and obligations under this contract.
5. The proposal provides that all the necessary equipment and software to meet all the requirements and specifications set forth in this RFP; that the Respondent will pay the cost of changes and additions, if any, to the software and to the Respondent's equipment that are necessary for the Respondent to meet successfully the provisions of this RFP not satisfied in the original proposal; that the Respondent will pay all programming and conversion costs incurred by the Board in rendering the Board's equipment usable and compatible with Respondent's software.
6. The Respondent warrants that no sums or anything of value has been or will be paid directly or indirectly to any officer or employee of the State of Mississippi as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to the Respondent in connection with any work compensated or performed.

Y. General Conditions

1. No provision for automatic renewal or extension of this contract is effective. Any renewal or extension shall be in writing and executed by both parties.

2. Notwithstanding "prior approval" requirements which may be reserved by the Board under this contract, such requirements do not reserve or mitigate Respondent's ultimate responsibility for holding and guaranteeing the quality and timeliness of work and service to be performed under this contract. Respondent is solely responsible for performing the actuarial consulting specified herein to the satisfaction of the Board.
  3. The Board reserves the right unilaterally to modify, reject, cancel, or stop any and all plans scheduled or work in progress.
- Z. Ownership of Materials - MPACT owns all materials developed and produced for MPACT, CSPM, the Board, the Office of the State Treasurer, and/or the State of Mississippi under this contract.
- AA. Audit of Contract Procedures - The Board reserves the right to audit all Respondent's and subcontractor's procedures using CSPM and/or OST employees, its designees, or other state agencies as provided by law.
- BB. Termination - The Board reserves the right to terminate the contract, or any part of the contract, resulting from this RFP at its convenience with thirty (30) days' notice to the Contractor. Specific terms regarding notice will be negotiated with the successful Respondent prior to signing of a contract.
- CC. Invoicing – The Board and the OST cannot prepay for services rendered or good delivered. Therefore, all invoices must be submitted in arrears. All Respondents must state in their proposal the invoicing interval, i.e. monthly, quarterly, etc., for each category of prices.
- DD. Termination for Convenience
1. Termination. The procurement officer may, when the interests of the State so require, terminate this contract in whole or in part, for the convenience of the State. The procurement officer shall give written notice of the termination to Contractor specifying the part of the contract terminated and when termination becomes effective.
  2. Contractor's Obligations. Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination Contractor will stop work to the extent specified. Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The procurement officer may direct Contractor to assign Contractor's

right, title, and interest under terminated orders or subcontracts to the State. Contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

## Appendix A

### Fee Proposal

	Year 1	Year 2	Year 3	Optional Renewal 1	Optional Renewal 2
All Inclusive Fee					
Hourly Rate for Additional Services					

## **APPENDIX B**

### **Office of the State Treasurer Request for Proposals- Actuary Services**

#### **PROSPECTIVE CONTRACTOR'S REPRESENTATION REGARDING CONTINGENT FEES**

\_\_\_\_\_(Company name) represents that it HAS / HAS  
NOT (please circle the appropriate answer) retained any person or agency on a percentage,  
commission, or other contingent arrangement to secure this contract.

Signed \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

MM DD YY