

Washington State Pension Funding Council
and

Law Enforcement Officers' and Fire Fighters' Plan
2 Retirement Board

REQUEST FOR PROPOSALS NO. 25-01

March 28, 2025

STATE OF WASHINGTON

This Request for Proposals is being issued by the Department of Retirement Systems on behalf of the Pension Funding Council and the Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board.

Department of Retirement Systems
Tumwater, Washington

REQUEST FOR PROPOSALS No. 25-01

All amendments to this RFP prior to the deadline for submitting proposals will be published on the Washington's Electronic Business Solution (WEBS) site at <https://fortress.wa.gov/ga/webs/home.html>. It is the Bidder's responsibility to access the RFP, all amendments, questions and answers, and related documents on WEBS.

PROCUREMENT TITLE:

Actuarial Audit and Additional Actuarial Services

PROPOSAL DUE DATE:

June 2, 2025, at 3:00 p.m. Pacific Daylight Time

EXPECTED TIME PERIOD FOR CONTRACT:

The period of performance of any contract resulting from this RFP shall begin immediately following the date of execution, and end on June 30, 2029.

The State reserves the right to extend the contract for up to a maximum of six years. Amendments extending the period of performance, if any, shall be at the discretion of the State.

AMERICANS WITH DISABILITIES ACT:

DRS complies with the Americans with Disabilities Act (ADA). Bidders may contact the RFP Coordinator to receive this Request for Proposals in an alternative format.

RFP COORDINATOR:

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Washington State Department of Retirement Systems

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Table of Contents

1. PROCUREMENT OVERVIEW	6
1.1 PURPOSE	6
1.2 BACKGROUND	6
1.3 MINIMUM QUALIFICATIONS	9
1.4 LICENSE.....	9
1.5 PERIOD OF PERFORMANCE	9
1.6 SCOPE OF SERVICES & DELIVERABLES.....	10
1.6.1 Actuarial Audit of Demographic Experience Study.....	10
1.6.2 Actuarial Valuation Audit.....	11
1.6.3 Additional Actuarial Services.....	12
2. PROCUREMENT PROCESS	13
2.1 RFP COORDINATOR.....	13
2.2 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES	13
2.3 REVISIONS TO THE RFP.....	14
2.4 QUESTIONS.....	14
2.5 COMPLAINT PROCEDURE	14
2.6 RESPONSIVENESS REVIEW.....	15
2.7 REJECTION OF PROPOSALS.....	15
2.8 CLARIFICATION OF PROPOSAL.....	15
2.9 EVALUATION PROCEDURE.....	15
2.10 EVALUATION WEIGHTING AND SCORING	15
2.11 INTERVIEWS (IF REQUESTED)	16
2.12 REFERENCE CHECKS.....	16
2.13 BEST VALUE	16
2.14 NOTIFICATION TO BIDDERS.....	17
2.15 DEBRIEFING CONFERENCE.....	17
2.16 PROTEST PROCEDURE	17
3. PROPOSALS	18
3.1 SUBMISSION OF PROPOSALS.....	18
3.2 ACCEPTANCE PERIOD	19
3.3 MOST FAVORABLE TERMS.....	19
3.4 PROPOSAL CONTENTS.....	19
3.5 INTRODUCTION (NON-SCORED)	20
3.6 SUMMARY PROPOSAL	20
3.7 QUESTIONNAIRE (SCORED)	20
3.8 BIDDER’S INFORMATION, DECLARATIONS AND CERTIFICATIONS (REQUIRED)	20
3.9 FEE SCHEDULE (SCORED)	20
3.10 BIDDER’S UNDERSTANDING OF THE RFP	20

3.11	GOOD FAITH STATEMENT	21
3.12	CONTRACT AND GENERAL TERMS AND CONDITIONS	21
3.13	ACCESS TO DATA.....	21
3.14	PROPRIETARY INFORMATION – PUBLIC DISCLOSURE	21
3.15	AMERICANS WITH DISABILITIES ACT	22
3.16	MINORITY & WOMEN-OWNED BUSINESS PARTICIPATION	22
3.17	SMALL BUSINESS AND VETERAN-OWNED BUSINESS PARTICIPATION	22
3.18	ACCESS EQUITY CONTRACT REPORTING.	22
3.19	COSTS TO PROPOSE	23
3.20	NO OBLIGATION TO CONTRACT	23
3.21	COMMITMENT OF FUNDS	23
3.22	BILLINGS	23
3.23	INSURANCE COVERAGE.....	23
3.24	DEFINITIONS	24
4.	RFP ATTACHMENTS AND EXHIBITS	25
4.1	RFP ATTACHMENTS.....	25
4.2	RFP EXHIBITS	25

1. PROCUREMENT OVERVIEW

1.1 PURPOSE

As required by the [Revised Code of Washington \(RCW\) 41.45.110](#), the Washington State Pension Funding Council (PFC) and the Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2 Retirement Board (the Board), referred to hereinafter collectively as "the State," are issuing this Request for Proposals to acquire the services of a qualified actuarial firm to:

- Conduct a biennial actuarial audit of preliminary and final actuarial valuations prepared by the Office of the State Actuary (OSA), used for employer and member rate-setting purposes, with a review of recent changes to the funding methods, if any;
- Conduct an actuarial audit of the demographic experience study prepared by the OSA; and
- Provide actuarial support upon request by the Pension Funding Council or the LEOFF 2 Board.

1.2 BACKGROUND

1.2.1 Pension Funding Council

The PFC was formed in 1998 by the Washington State Legislature, and is comprised of the following members:

- Director of the Washington State Department of Retirement Systems (DRS)
- Director of the Washington State Office of Financial Management (OFM)
- Chair and ranking minority member of the Washington State House of Representatives Appropriations Committee
- Chair and ranking minority member of the Washington State Senate Ways and Means Committee

Pursuant to RCW 41.45.100, the PFC shall adopt changes to economic assumptions and contribution rates by an affirmative vote of at least four members.

The Pension Funding Work Group (PFWG) was also established in 1998 by the Washington State Legislature to provide support to the PFC. Meetings of the PFWG may be called by any member of the group for the purpose of assisting the PFC, reviewing actuarial valuations of the state retirement systems, reviewing economic assumptions, or for any other purpose which may assist the PFC, as authorized by RCW 41.25.120.

PFWG members include representatives from the following Washington State agencies and legislative committees:

- Department of Retirement Systems

- Appropriations Committee of the House of Representatives
- Ways and Means Committee of the Senate
- Office of Financial Management
- State Investment Board
- Office of the Economic and Revenue Forecast Council

1.2.2 Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System Plan 2 Board

The LEOFF 2 Board was created by Initiative 790, passed by the people of the state of Washington in 2002. The LEOFF 2 Board is a state agency established in 2003, governed by eleven board members appointed by the Governor, including three active firefighters, three active police officers, three employers and two legislators.

The LEOFF 2 Board has responsibility to study pension issues, serve as fiduciaries of the LEOFF Plan 2 retirement plan, set contribution rates, and recommend pension policy to the Legislature in the interest of the LEOFF Plan 2 members and beneficiaries. The Board meets monthly in Olympia.

As a state agency, the LEOFF 2 Board employs a staff of six to provide research and administrative assistance to the Board members.

1.2.3 Audit Requirements

The services requested in this RFP are required by RCW 41.45.110, which provides:

“The pension funding council shall solicit and administer a biennial actuarial audit of the preliminary and final actuarial valuations used for employer and member rate-setting purposes. This audit will be conducted concurrently with the actuarial valuation performed by the state actuary. At least once in each six-year period, the pension funding council shall solicit and administer an actuarial audit of the results of the experience study required in RCW 41.45.090. Upon receipt of the results of the preliminary actuarial audits required by this section, and at least thirty days prior to adopting contribution rates, the pension funding council shall submit the results to the select committee on pension policy.”

The audits to be performed by the Contractor will examine the actuarial work performed by OSA to assure the Pension Funding Council that the methodology is appropriate, and the contribution rates are calculated in accordance with all applicable statutes, policies, and actuarial standards of practice. The audits will also be expected to identify opportunities for improvement to achieve greater value and understanding from the actuarial services performed. The valuation and demographic experience study audits will assist the PFC to perform its statutory responsibilities in adopting pension contribution rates and plan assumptions.

In addition, an audit of the adopted LEOFF Plan 2 actuarial valuations, assumptions and cost methodologies is consistent with the powers and duties of the LEOFF Plan 2 Board as stated in [RCW 41.26.720\(1\)\(a\)](#), [RCW 41.26.720\(1\)\(c\)](#) and [RCW 41.26.720\(1\)\(e\)](#).

1.4 Retirement Plan Membership and Provisions

The actuarial audits will review the following defined benefit retirement systems/plans administered by the state of Washington (membership data as of the 2024 Actuarial Valuation):

Retirement Plans	Active Members	Annuitants
Public Employees’ Retirement System Plan 1 (PERS 1)	395	37,768
Public Employees’ Retirement System Plans 2 and 3 (PERS 2 and 3)	181,490	85, 589
Public Safety Employees’ Retirement System Plan 2 (PSERS 2)	10,724	854
School Employees’ Retirement System Plans 2 and 3 (SERS 2 and 3)	68,309	32,064
Teachers’ Retirement System Plan 1 (TRS 1)	62	27,588
Teachers’ Retirement System Plans 2 and 3 (TRS 2 and 3)	81,304	30,345
Law Enforcement Officers’ and Firefighters’ Retirement System Plan 1 (LEOFF 1)	6	6,040
Law Enforcement Officers’ and Firefighters Retirement System Plan 2 (LEOFF 2)	19,896	10,899
Washington State Patrol Retirement System Plans 1 and 2 (WSPRS 1 and 2)	928	1,376

The PERS, TRS, and LEOFF Plans 1 closed to new membership on September 30, 1977. TRS Plan 2 closed to new members on July 1, 1996. WSPRS Plan 1 closed to new members on July 1, 2003. Effective March 1, 2002, newly hired PERS members have a choice of entering either Plan 2 or Plan 3. Effective July 1, 2007, newly hired TRS and SERS members have the choice of entering Plan 2 or Plan 3.

All of the plans are defined benefit final average pay plans with a variety of ancillary benefits. The Plans 3 also have a defined contribution component with employee contribution rates selected by each employee from a list of options; employers do not make regular contributions to the defined contribution portion of Plan 3. The Plan 2 systems all have similar benefit structures, although the normal retirement ages for LEOFF Plan 2, WSPRS Plan 2 and PSERS are lower.

Employer and employee contribution rates fund the various systems. The employee contribution rates for the Plan 1 systems are fixed in statute. The PERS, PSERS, SERS, TRS, and LEOFF Plan 2 employee contribution

rates are calculated as one-half of the actuarial cost, subject to minimum and maximum rates. Plan 3 members do not contribute to the defined benefit fund.

A single employer contribution rate is set for all employees who are members of TRS, another for all members of SERS, one for PSERS members, and one for all members of PERS. Once contributed, employer contributions are credited to the appropriate plan. LEOFF Plan 1 and 2 funding is split between the state and the members' employers.

OSA conducts the actuarial valuations utilized in developing the employer contribution rates for adoption by the PFC and the LEOFF Plan 2 Board. The LEOFF Plan 2 Board was created by initiative in 2002. The PFC and the LEOFF Plan 2 Board (with respect to the LEOFF Plan 2) are responsible for administering actuarial audits of the valuation studies used for rate-setting purposes, and for adopting employer and state contribution rates.

Employer contribution rates for the biennial budget period July 1, 2027, through June 30, 2029, must be adopted by the PFC no later than July 31, 2026. Employer and state contribution rates for the LEOFF Plan 2 for the biennial budget period July 1, 2027, through June 30, 2029, must also be adopted by the LEOFF Plan 2 Board no later than July 31, 2026.

All contributions and other employee information are collected by the DRS and provided to the OSA. The State Investment Board (SIB) invests the assets of the systems.

1.3 MINIMUM QUALIFICATIONS

The Bidder as an organization and the professionals assigned to perform work under the terms of this contract must be free of material conflict, either known or perceived, with the OSA, the PFC, and the LEOFF 2 Board.

The Bidder must have a minimum of five years' experience in the field of actuarial science and actuarial auditing, including demonstrable experience preparing or auditing both valuations and demographic experience studies for large governmental pension systems.

The Bidder must be able to perform the required work in accordance with actuarial standards of practice.

1.4 LICENSE

The Bidder must be licensed to conduct business in the State of Washington. If the Bidder is not licensed, the Bidder must state that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparent Successful Bidder (ASB).

1.5 PERIOD OF PERFORMANCE

The initial period of performance of any contract resulting from this RFP is the date of contract execution through June 30, 2029, for Actuarial Audit and Additional Actuarial Services

DRS reserves the right to extend the contract for up to a maximum of six years. Amendments extending the period of performance, if any, shall be at the discretion of DRS.

1.6 SCOPE OF SERVICES & DELIVERABLES

The Contractor will perform actuarial audits of the retirement plans' valuations, with a review of recent changes to the funding methods, if any, as well as an audit of the demographic experience study (all prepared by the Office of the State Actuary (OSA)). The Contractor will perform its duties under this Contract with care, skill, prudence and diligence under the circumstances then prevailing; all in accordance with applicable federal and state law.

The scope of this assignment is to conduct (1) an actuarial audit of the demographic experience study, and (2) a biennial actuarial audit of the valuations, with a review of recent changes to the funding methods, if any. Both the demographic experience study and the valuations are prepared by the Office of the State Actuary.

1.6.1 Actuarial Audit of Demographic Experience Study

Conduct an audit of the demographic experience study of the Washington State Pension plans conducted by the Office of the State Actuary. The review must include:

- (1) A determination of whether the actuarial methods, considerations and analyses used by OSA in preparing the most recent demographic experience study are technically sound and conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board.

This determination will include:

- a. An in-depth review and analysis of the demographic experience study results, including an evaluation of the data used for reasonableness and consistency as well as a review of mathematical calculations for completeness and accuracy.
 - b. A review of the assumptions produced as a result of the study and verification of the reasonableness of those assumptions as used in the systems and plans.
- (2) An opinion as to whether OSA reports conform to appropriate Standards of Practice as promulgated by the Actuarial Standards Board and is comprehensive. Any recommendations for improvement in the report presentation should be included.

Deliverables shall include draft and final reports, and presentation of the results to the Pension Funding Council and LEOFF 2 Board on mutually agreeable dates, by December 31, 2025. The presentation may be delivered remotely.

1.6.2 Actuarial Valuation Audit

Conduct an audit of the actuarial valuations that produce the contribution rates to be considered for adoption by the PFC and the LEOFF Plan 2 Board. The purpose of the audit will be to determine whether the methodology employed is reasonable and whether the contribution rates determined are appropriately calculated. The audit will be conducted concurrently with the development of the rates.

The audit will involve checking the calculation of the actuarial liabilities, determining whether the use of the asset values is reasonable, and determining whether the use of liabilities and assets in the funding formulae used to produce contribution rates is reasonable. The audit will require particular attention is paid to the impact of changes to the plans since the most recent actuarial valuation audit.

The audit must include the following:

- (1) Determination of whether the actuarial methods, considerations and analyses used by OSA in preparing the most recent actuarial valuation are reasonable and conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board.

This determination will include:

- a. An in-depth review and analysis of the valuation results, including an evaluation of the data used for reasonableness and consistency as well as a review of mathematical calculations for completeness and accuracy.
 - b. Verification that all appropriate benefits have been valued and valued accurately.
 - c. Verification that the data provided by the system is consistent with data used by OSA.
 - d. Evaluation of the actuarial cost method and actuarial asset valuation method in use and whether other methods would be more reasonable.
 - e. Verification of the reasonableness of the calculation of the unfunded actuarial accrued liability and the amortization period.
 - f. A full replication of the most recent actuarial valuations.
- (2) An opinion as to whether OSA reports conform to appropriate Standards of Practice as promulgated by the Actuarial Standards Board and is comprehensive. Any recommendations for improvement in the report presentation should be included.

Deliverables shall include:

- (1) PFC Results: Paper and electronic copies of the draft reports and a presentation to the PFC and/or the PFWG, in Olympia, Washington, following the completion of the audit. This presentation is tentatively scheduled for the last week of June in even numbered years, or on a meeting date convenient to the PFC. This draft report and presentation would cover all plans except LEOFF Plan 2.
- (2) Paper and electronic copies of the final reports, a letter discussing funding and valuation changes, and an oral presentation to the PFC in Olympia, Washington following completion of the contractor's tasks. This presentation is tentatively scheduled for the last week of July in even numbered years, or on a meeting date convenient to the PFC. This final report and presentation would cover all plans except LEOFF Plan 2.
- (3) Up to two meetings in Olympia, Washington with the PFWG to review the audits and the results of the audits. These meetings will be held on mutually agreeable dates. At the option of the State, provide one additional briefing or question and answer session in Olympia, after the conclusion of the audits.
- (4) Paper and electronic copies of a draft report and a presentation to the LEOFF Plan 2 Retirement Board in Olympia, Washington following the completion of the audits. This presentation is tentatively scheduled for June in even numbered years. This draft report and presentation will focus exclusively on LEOFF Plan 2.
- (5) Paper and electronic copies of the final report, a letter discussing funding and valuation changes, and an oral presentation to the LEOFF Plan 2 Retirement Board in Olympia, Washington, following completion of the contractor's tasks. This presentation is tentatively scheduled for July in even numbered years. The final report and presentation will focus exclusively on LEOFF Plan 2.

1.6.3 Additional Actuarial Services

Upon request, the Contractor will provide additional actuarial services related to retirement plan administration. The State and the Contractor will negotiate project agreements that define the fees and deliverables.

2. PROCUREMENT PROCESS

2.1 RFP COORDINATOR

The RFP Coordinator is the sole point of contact at DRS for this procurement. All communication between the Bidder and DRS upon release of this RFP shall be with the RFP Coordinator, as follows:

RFP Coordinator	
Name	Wendy Kancianich
Phone Number	360-664-7231
Email Address	drs.rfp@drs.wa.gov

Any other communication will be considered unofficial and non-binding on DRS. Bidders are to rely on written statements issued by the RFP Coordinator. Communications directed to any other state employee other than the RFP Coordinator may result in disqualification of the Bidder.

2.2 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Activity	Schedule Date
Issue Request for Proposals	3/28/2025
Optional Pre-Bid Conference (on-line)	<p>April 11, 2025, 10am -11am Pacific time <i>Attend via Zoom Meeting</i></p> <p>Meeting Information: Meeting Link: https://us02web.zoom.us/j/87211892968 Meeting ID: 872 1189 2968 One tap mobile: +12532050468,,87211892968# US +12532158782,,87211892968# US (Tacoma)</p> <p>Find your local number: https://us02web.zoom.us/j/kcorBKIMEX</p>
Questions due	5/12/2025
Answers posted	5/22/2025
Complaints due	5/22/2025
Proposals due	By 3:00 PM Pacific Time 6/2/2025

Invite selected bidder(s) for interview if requested by DRS	6/18/2025
Interviews (if requested by DRS)	6/18/2025-6/27/2025
Apparent Successful Bidder Announcement & notification to unsuccessful bidders	7/9/2025
Last day to request debriefing conference	Three business days after announcing ASB
Protest period ends	Five business days after debrief
Sign contract	Upon resolution or closure of protest period and no later than July 23, 2025

DRS reserves the right to revise the above schedule.

2.3 REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, amendments and/or addenda will be published on WEBS.

DRS also reserves the right to cancel or to reissue the RFP as a whole or in part, prior to execution of a contract.

2.4 OPTIONAL PRE-BID CONERENCE

DRS will host a pre-bid conference at the time indicated in **Table 2.2- Estimated Schedule of Procurement Activities**. Attendance is not mandatory; however, bidders are encouraged to attend and participate. The purpose of the pre-bid conference is to clarify the RFP as needed and address any issues or concerns that Bidders may have.

Assistance for disabled, blind, or hearing-impaired persons who wish to attend the pre-bid conference is available with prior arrangement by contacting the DRS RFP Coordinator.

2.5 QUESTIONS

Specific questions regarding this Request for Proposals must be submitted via email to DRS's RFP Coordinator by May 12, 2025. Answers to all submitted questions will be posted on WEBS on or before May 22, 2025.

DRS shall be bound only by written answers to questions. An oral response to any question is to be considered unofficial.

2.6 COMPLAINT PROCEDURE

A potential Bidder may file a complaint regarding the proposal process. Grounds for a complaint may include:

- The solicitation unnecessarily restricts competition.
- The solicitation evaluation or scoring process is unfair or flawed.
- The solicitation requirements are inadequate or insufficient to prepare a response.

Interested Bidders should note that, if they choose not to file a complaint, they waive their right to file a protest based on the proposal process that could have been raised in a pre-proposal complaint.

The complaint must be submitted in writing to the RFP Coordinator no later than five business days before the bid response deadline, or May 22, 2025, whichever is later.

The complaint must include:

- The complainant’s name, mailing address, telephone number, and e-mail address.
- A clear and specific statement articulating the basis for the complaint.
- A proposed remedy.

DRS will send a written response to the complainant before the deadline for bid submissions. The response will explain DRS’ decision and any steps it will take in response to the complaint. The complaint and the response, including any changes to the solicitation that may result, will be posted on WEBS.

2.7 RESPONSIVENESS REVIEW

All proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP, as well as to ensure minimum qualifications are met. The Bidder is specifically notified that failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.

DRS also reserves the right, however, at its sole discretion to waive minor administrative irregularities.

2.8 REJECTION OF PROPOSALS

DRS reserves the right, at its sole discretion, to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.

2.9 CLARIFICATION OF PROPOSAL

The RFP Coordinator may contact the Bidder for clarification of any portion of the Bidder’s proposal.

2.10 EVALUATION PROCEDURE

Responsive proposals will be evaluated strictly in accordance with the requirements stated in the solicitation and any addenda issued. An evaluation team, designated by DRS and comprised of representatives from the PFWG and the LEOFF 2 Board, will determine the ranking of the proposals.

2.11 EVALUATION WEIGHTING AND SCORING

Proposals not meeting the minimum qualifications in Section 1.3 will not be scored.

The following weighting will be used to score the written proposals.

Criteria	Points
Technical Proposal	30
Qualifications, training, and experience of the firm and proposed auditors in auditing similar types of funds. May include evaluations of previous performance	27
Work plan	18

Fee Proposal (lowest proposed bid ÷ this proposal bid x percentage = score)	15
Executive Order 18-03 – Workers’ Rights (See Attachment B Section 3.4. Mandatory arbitration/class action clauses: No = 2, Yes = 0)	3
Certified Minority, Women, or Veteran owned or Small Business	7
TOTAL	100

DRS, at its sole discretion, may select the top scoring Bidders for an oral interview. Bidder interviews, if any, will be scored separately from the written proposals. Both the written proposal and the interviews, if any, will be considered in the final determination.

2.12 INTERVIEWS (IF REQUESTED)

As part of the selection process, DRS reserves the right to interview the finalist(s). If needed, interviews are expected to be held on June 18, 2025-June 27, 2025. The key personnel proposed to be involved in the performance and management of the audits must participate in the oral interview. Failure to attend the requested interview may result in removal from further consideration.

All commitments made by a Bidder during the interview will be considered binding if the Bidder is selected as ASB.

2.13 REFERENCE CHECKS

Reference checks will be conducted prior to contract execution. At DRS’ discretion, reference checks may only be conducted for the top ranked Bidder(s). The reference check process will include the Bidder’s. DRS also reserves the right to request and consider information from sources other than the references provided in the Bidder’s proposal. Information obtained from references will not be scored but will be considered when making the final selection of the Apparent Successful Bidder (ASB).

2.14 BEST VALUE

In accordance with RCW 39.26.160, DRS will select the lowest responsive and responsible Bidder.

In determining whether a Bidder is responsible, DRS will assess:

- The ability, capacity, and skill of the Bidder to perform the contract or provide the service required;
- The character, integrity, reputation, judgment, experience, and efficiency of the Bidder;
- Whether the Bidder can perform the contract within the time specified;
- The quality of performance of previous contracts or services;
- The previous and existing compliance by the Bidder with laws relating to the services described in this RFP; and
- Such other information as may be secured having a bearing on the decision to award the contract.

In determining the lowest responsive and responsible Bidder, DRS may consider best value criteria. The evaluation process is designed to award this procurement not necessarily to the Bidder presenting the lowest cost, but rather to the Bidder whose proposal best meets the requirements of this RFP.

2.15 NOTIFICATION TO BIDDERS

DRS will attempt to notify the Apparent Successful Bidder of its selection by telephone, prior to posting the notice on DRS' website. If telephone contact is unsuccessful, an email sent to the ASB's point of contact will satisfy this notification requirement. Bidders whose proposals have not been selected for further negotiation or award will also be notified by telephone or email.

2.16 DEBRIEFING CONFERENCE

After DRS has notified Bidders of the Apparent Successful Bidder, an unsuccessful Bidder may request a debriefing conference. The RFP Coordinator must receive the request no later than three business days after notification of the Apparent Successful Bidder.

DRS will hold the debriefing conference within three business days of the request, unless it extends that time period and explains to the requester the reason(s) for the time extension. The debriefing conference will be conducted by telephone and will be scheduled for a maximum of 30 minutes.

The purpose of the debriefing conference is to give the Bidder insight into how its proposal might have been stronger and might have better met the RFP requirements. The scope of the debriefing conference will be limited to the Bidder's proposal, and how that proposal might be improved in any future procurement process. The debriefing conference will not include a comparison to other Bidders' proposals, scores or evaluations.

Protest provisions allowed under this RFP are only available to those Bidders who have timely requested and participated in a debriefing conference. A Bidder who fails to do so waives its right to protest.

2.17 PROTEST PROCEDURE

No protest may be submitted until after DRS has announced the Apparent Successful Bidder. After that announcement, an unsuccessful Bidder who requested and participated in a debriefing conference may file a protest.

DRS reserves the right to reject, without consideration, any protest that does not comply with any requirement in this section.

The protest must be emailed to the RFP Coordinator within five business days after the completion of the protester's debriefing conference.

DRS will only consider a protest that is factually and unambiguously based on one or more of the following grounds:

- Errors in the scoring of the protester's bid.
- Failure to follow RFP procedures.
- Failure to follow applicable law or rule.
- Bias, discrimination, or conflict of interest negatively affecting the protester's evaluation or interests.

The protest must be signed by a person authorized to bind the protester to a contractual relationship.

The protest must contain:

- The name, mailing address, telephone number, and e-mail address of the person responsible for submitting the protest.
- A clear and factually specific statement of the ground(s) for the protest.
- A complete and specific statement of the relief or corrective action requested.

Protest resolution process:

- A. A person who was not involved in the solicitation process will objectively review the information submitted by the protester, as well as other relevant facts known to DRS.
- B. If a protest directly affects another Bidder's interests, DRS will give that Bidder an opportunity to submit its views and any relevant information to the RFP Coordinator.
- C. DRS will resolve the protest by making appropriate findings and deciding on an appropriate course of action. DRS may find, for example, that:
 - The protest lacks merit, and the procurement process will be upheld.
 - Only technical or harmless errors occurred, which had no significant effect on the fairness or legality of the procurement process, and the procurement process will be upheld.
 - The protest has merit, and DRS will take corrective action, such as (but not limited to) reevaluating all bids, cancelling the RFP, or reissuing the RFP.
- D. DRS will send its written response to the protester within ten business days after receiving the protest, unless it extends that time period and explains the reason(s) for that extension to the protester.

3. PROPOSALS

3.1 SUBMISSION OF PROPOSALS

Proposals that do not comply with any of the requirements in this section may be rejected as non-responsive. DRS reserves the right, however, at its sole discretion, to waive minor administrative irregularities.

Proposals must be submitted as attachments to an email sent to the RFP coordinator, with the following filename conventions:

- Non-cost proposal: [Bidder Company Name] NCP 25-01.pdf
- Cost proposal: [Bidder Company Name] CP 25-01. Word
- Bidder's Information, Declaration and Certification: [Bidder Company Name] BIDC 25-01 .pdf

All proposals must be submitted in English and must be stated in US Dollars.

The Cost Proposal must be submitted in Microsoft Excel format (xls or .xlsx), using the file provided with this RFP. The other sections must be compiled into a single Adobe Acrobat (.pdf) document, formatted to print on eight and one-half by eleven-inch (8.5" by 11") paper.

The Bidder's name must be clearly stated at the top or bottom (header or footer) of each page of the response.

The email with the entire proposal attached (including both the narrative response and cost proposal) must arrive and be stamped by DRS' email network no later than 3:00 Pacific Daylight Time on June 2nd, 2025. Late submissions will not be accepted and will be automatically disqualified from further consideration. Allow sufficient time to ensure receipt by the deadline. DRS assumes no responsibility for technical delays caused by email failures.

All proposals and accompanying documentation become the property of DRS and will not be returned. Bidders must be aware that all proposals will be deemed to be public records as defined in RCW 42.56, "Public Records Act," following announcement of the Apparent Successful Bidder. See Section 4.4 PROPRIETARY INFORMATION – PUBLIC DISCLOSURE before submitting a proposal in response to this RFP.

3.2 ACCEPTANCE PERIOD

Proposals must provide thirty (30) days for acceptance by DRS from the date proposals are due to DRS.

3.3 MOST FAVORABLE TERMS

DRS reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted on the most favorable terms the Bidder can propose. There will be no best and final offer procedure. DRS does reserve the right to contact a Bidder for clarification of its proposal.

Contract negotiations may incorporate some or all of the Bidder's proposal. It is understood that the proposal will become a part of the official procurement file on this matter without obligation to DRS.

3.4 PROPOSAL CONTENTS

The five major sections of the proposal are to be submitted in the following order:

- **Introduction**
- **Summary Proposal**
- **Questionnaire (Attachment C to this RFP)**
- **Bidder's Information, Declarations and Certifications, and Contract Exceptions - Attachment B**
- **Fee Schedule - Attachment A**

Proposals must provide information in the same order as presented in this document with the same headings. This will not only be helpful to the evaluators of the proposal but should assist the Bidder in preparing a thorough response.

3.5 INTRODUCTION (NON-SCORED)

3.5.1 Cover Page

Include the following information on the cover page:

- A. Company name
- B. Primary contact for this proposal, including name, title, telephone and email
- C. Procurement Title: Actuarial Audit and Additional Actuarial Services

3.5.2 Cover letter - Optional

Your firm may provide a cover letter that is no longer than one page to introduce your proposal.

3.5.3 Contract Exceptions - Optional

Review the Sample Contract provided with this RFP as Exhibit A. If Bidder has any issues or concerns with the contract language or requirements that must be revised before signing, describe the issue or concern and the proposed revision.

3.6 SUMMARY PROPOSAL

Provide a stand-alone summary of the proposal, describing the main points of each section. Take particular care in the preparation, as this summary will be used as a guide by the panel when conducting oral interviews, if needed. Avoid simply directing the reader to information found in other sections of your proposal.

3.7 QUESTIONNAIRE (SCORED)

Provide your responses to all questions in **Attachment C – Questionnaire**. Include the question number and the text of the question as stated in **Attachment C – Questionnaire**, followed by your response.

3.8 BIDDER'S INFORMATION, DECLARATIONS AND CERTIFICATIONS (REQUIRED)

Complete, sign and insert Attachment B, Bidder's Information, Declarations and Certifications.

NOTE: The Bidder's Information, Declarations and Certifications form (Attachment B) must be signed by a person authorized to legally bind the Bidder to a contractual relationship, e.g., the president or executive director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship.

3.9 FEE SCHEDULE (SCORED)

Complete the Fee Schedule provided.

The cost score for each Part of the scope of services will be calculated as follows:

Lowest proposed cost ÷ bidder's proposed cost x maximum points

3.10 BIDDER'S UNDERSTANDING OF THE RFP

In responding to this RFP, the Bidder fully accepts the responsibility to understand the RFP in its entirety, and in detail, including submitting questions necessary to gain such understanding. DRS reserves the right to disqualify any Bidder who demonstrates less than such understanding. Further, DRS reserves the

right to determine, at its sole discretion, whether the Bidder has demonstrated such understanding. That right extends to cancellation of award if award has been made. Such disqualification and/or cancellation shall be at no fault, cost, or liability whatsoever to DRS.

3.11 GOOD FAITH STATEMENT

All information provided by DRS in this RFP is offered in good faith. Individual items are subject to change at any time.

3.12 CONTRACT AND GENERAL TERMS AND CONDITIONS

The Apparent Successful Bidder will be expected to enter into a contract that is substantially the same as the sample contract and its general terms and conditions attached as Exhibit A. In no event is a Bidder to submit its own standard contract terms and conditions in response to this solicitation. Bidder may submit exceptions in the CERTIFICATIONS AND ASSURANCES, AND CONTRACT EXCEPTIONS section of the proposal, as stated in Section 3.5.3 of this RFP. DRS will review requested exceptions and accept or reject them at its sole discretion.

3.13 ACCESS TO DATA

Upon request and with reasonable and sufficient notice, the CONTRACTOR shall provide access to data generated under this contract to [Agency], the Joint Legislative Audit and Review Committee, and the State Auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the CONTRACTOR'S reports, including computer models and methodology for those models

3.14 PROPRIETARY INFORMATION – PUBLIC DISCLOSURE

Materials submitted in response to this competitive procurement shall become the property of DRS. Following announcement of the ASB, the proposals shall be deemed public records as defined in RCW 42.56, "Public Records Act."

Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of RCW 42.56 must be clearly designated. The page must be identified as well as the particular exemption from disclosure upon which the Bidder is making the claim. Each page claimed to be exempt from disclosure must be clearly identified by the word "Confidential" printed on the lower right-hand corner of the page.

DRS will consider Bidder's request for exemption from disclosure; however, DRS will make a decision predicated upon Chapter 42.56 RCW. Marking the entire proposal exempt from disclosure will not be honored. The Cost Proposal will not be exempt from disclosure, even if it is marked as such. The Bidder must be reasonable in designating information as confidential. If any information is marked as proprietary in the proposal, such information will not be made available until the affected Bidder has been given an opportunity to seek a court injunction against the requested disclosure.

A charge will be made for copying and shipping, as outlined in RCW 42.56.120. No fee shall be charged for inspection of contract files, but twenty-four (24) hours' notice to the RFP Coordinator is required. All requests for information should be directed to DRS' Public Records Officer at PDR@drs.wa.gov.

3.15 AMERICANS WITH DISABILITIES ACT

DRS complies with the Americans with Disabilities Act (ADA). Bidders may contact the RFP Coordinator to receive this Request for Proposals in an alternate format.

3.16 MINORITY & WOMEN-OWNED BUSINESS PARTICIPATION

In accordance with the legislative findings and policies set forth in chapter 39.19 RCW, DRS encourages participation in all of its contracts by firms certified by the Office of Minority and Women's Business Enterprises (OMWBE). These types of businesses will receive 7 points for their participation, which may be either on a direct basis in response to this solicitation or on a subcontractor basis. Preference will be included in the evaluation of proposals and no minimum level of MWBE participation shall be required as a condition for receiving an award. Proposals will not be rejected or considered non-responsive due to the level of MWBE participation.

3.17 SMALL BUSINESS AND VETERAN-OWNED BUSINESS PARTICIPATION

In accordance with the intent of Chapter 39.26.005 RCW, the State encourages Agency purchases of goods and services from state small businesses. State small business, mini-business, and microbusiness are defined in RCW Chapter 39.26.010 (22), (17), and (16) respectively. In some cases, a small business may also be certified by the Office of Minority and Women's Business Enterprises (OMWBE) in accordance with Chapter 39.19 RCW. These types of businesses will receive 7 points for their participation. For information on these certified firms, Bidders may contact OMWBE at: <http://www.omwbe.wa.gov/>. In accordance with Chapter 43.60A.200 RCW, the State encourages participation in all of its contracts from firms certified by the Washington State Department of Veterans' Affairs (DVA). For information on these certified firms, Bidders may contact DVA at <http://www.dva.wa.gov/BusinessRegistry/>.

Although the State encourages OMWBE- and DVA-certified firms to participate in state contracts, no minimum level of participation by such firms will be required as a condition for receiving the award. Proposals will not be rejected or considered non-responsive based on the level of participation of OMWBE- or DVA-certified firms.

3.18 ACCESS EQUITY CONTRACT REPORTING.

Bidders who are awarded a Contract (i.e., Contractor) pursuant to this Competitive Solicitation and who utilize subcontractors to perform such Contract must, as a condition of Contract award, register and report, as Contractor, through Access Equity, Washington's secure online business diversity vendor management system (B2GNow), which is managed by Washington's Office of Minority and Women's Business Enterprises (OMWBE). Accordingly, please note:

- Regardless of whether Contractor previously has registered with B2GNow for any public entity, Contractor must verify that *Access Equity* has current information.
- During the Contract term, Contractor shall report monthly through *Access Equity* any payments to subcontractors pertaining to the Contract. Such reporting shall include total payment in dollars made to subcontractors, payment dates, and any additional information required to verify payment to subcontractors.

- Subcontractors must utilize *Access Equity* to verify such payment information as reported by Contractor.
- Information regarding Access Equity is available at OMWBE's website: <https://omwbe.wa.gov/>. Online training for *Access Equity* is available through OMWBE.

3.19 COSTS TO PROPOSE

DRS will not be liable for any costs incurred by the Bidder in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or in any other activities related to responding to this RFP.

3.20 NO OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or DRS to contract for services specified herein.

3.21 COMMITMENT OF FUNDS

The Director of DRS, or the Director's delegate, is the only individual who may legally commit DRS to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

3.22 BILLINGS

The Contractor shall bill DRS as payment milestones are completed. DRS will pay the Contractor upon receipt of a properly completed invoice, which shall be submitted to the DRS Contract Administrator and cc the DRS Accounts Payable inbox: drs.accounts payable@drs.wa.gov Each invoice must clearly indicate the DRS Contract Number 25-01.

Payment shall be considered timely if made by DRS within thirty (30) days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

DRS may, in its sole discretion, terminate the contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any terms or conditions of the contract.

No payments shall be made by DRS in advance or in anticipation of services or supplies to be provided under the contract.

3.23 INSURANCE COVERAGE

The Contractor shall, at its own expense, obtain and keep in force insurance coverage, which shall be maintained in full force and effect during the term of the contract.

Liability Insurance

Commercial General Liability Insurance: The Contractor shall maintain general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least

twice the “each occurrence” limit. CGL insurance shall have a products-completed operations aggregate limit of at least two times the “each occurrence” limit. CGL insurance shall be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract) and contain a separation of insureds (cross liability) condition.

Additionally, the Contractor is responsible for ensuring that all subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

Workers’ Compensation Coverage

The Contractor will at all times comply with all applicable workers’ compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The State will not be held responsible in any way for claims filed by the Contractor or its employees for services performed under the terms of this contract.

3.24 DEFINITIONS

Definitions for the purpose of this RFP include:

Apparent Successful Bidder (ASB) – The Bidder selected to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

DRS – The Department of Retirement Systems is the agency of the State of Washington that is issuing this RFP.

Bidder – The single Bidder responsible for submitting a Proposal. The Bidder submits the proposal representing the Contractor and all Subcontractors. The term “Bidder” is used in instances referring to the Proposal and contract negotiation processes.

Contract Manager – The individual designated by DRS to direct work under the contract and act as the approval authority for all things related to this contract.

Contractor – The individual or company whose proposal has been accepted by DRS and has entered into a fully executed, written contract. “Contractor” is used when referring to the Bidder’s responsibilities after a contract is awarded. There may be other individuals or companies serving as subcontractors on a Proposal.

Proposal – A formal offer submitted in response to this solicitation.

Request for Proposals (RFP) – Formal procurement document in which a service or need is identified.

4. RFP ATTACHMENTS AND EXHIBITS

4.1 RFP ATTACHMENTS

Attachment A: Fee Schedule

Attachment B: Bidder Information, Declaration and Certification Form

Attachment C: Questionnaire

4.2 RFP EXHIBITS

Exhibit A: Sample Contract