

**SOLICITATION ADDENDUM 120961 O5  
QUESTIONS AND ANSWERS**

Date: March 7, 2025  
 To: All Bidders  
 From: Connie Heinrichs / Brook Taylor, Procurement Contracts Officers  
 State Purchasing Bureau  
 RE: Addendum for 120961 O5  
 to be opened March 21, 2025 at 2:00 p.m. CST

**Questions and Answers**

Following are the questions submitted and answers provided for the above-mentioned solicitation. The questions and answers are to be considered as part of the solicitation. It is the responsibility of bidders to check the State Purchasing Bureau website for all addenda or amendments.

<u>Question Number</u>	<u>RFP/ITB Section Reference</u>	<u>RFP/ITB Page Number</u>	<u>Question</u>	<u>State Response</u>
1.			Why are proposals for actuarial valuation services being requested at this time?	The contract with the current vendor expires June 30, 2025.
2.			When were these services last placed out for bid?	Actuarial services were last bid in March 2019.
3.			How long has Cav Mac been providing actuarial services to the State?	CavMac has provided actuarial services to the Nebraska Public Employees Retirement Systems (NPERS) since 2014.
4.			Can you please provide the annual actuarial fees paid to Cav Mac for each of the last three years for services comparable to those included in the RFP? If possible, please breakout between in-scope and out-of-scope services.	<p style="text-align: center;">FYE 6/30/24            \$100,800 in-scope            \$12,821.10 out-of-scope</p> <p style="text-align: center;">FYE 6/30/23            \$138,401.80 in-scope            \$1,505 out-of-scope</p> <p style="text-align: center;">FYE 6/30/22            \$152,002 in-scope</p>
5.			Approximately how many meetings per year has the attendance of the consultant been requested?	This can range from 4 to 6 appearances at our board meetings. The consultant is also requested to present the valuation reports to the Legislative Retirement Committee on an annual basis. At times, the Governor may make a request to meet with the actuaries to discuss valuation reports or experience study recommendations.

6.			Can you provide the previous two actuarial reports?	The most recent actuarial reports can be found on our website – <a href="http://npers.ne.gov">npers.ne.gov</a> – under the Publications page.
7.			Our firm carries \$3 million for Cyber Insurance and self-insure to \$5 million; will this satisfy the requirement set by the State?	Any exception to the posted terms should be noted on the solicitation response and may be considered during the evaluation period.  The firm would need to demonstrate an adequate risk management program and financial capacity to cover potential losses, preferably through a dedicated insurance reserve and third-party audit.
8.	Section I. Item A	1	Why is the State/DAS/SPB considering changing actuaries?	See response to Question 1.
9.	Section II. Item D.	10	<del>Understanding Chapter 2260,</del> Our firm requires a limitation of liability as to direct damages and a disclaimer of indirect or related damages in all its services contracts. Would proposing same prevent our proposal from being considered?	Yes.
10.	Section II. Item J.	11	Can NPERS clarify what remedies are available to Vendor in the event of breach of contract?	Any legally available remedies for a breach of contract in the State of Nebraska.
11.	Section II. Item M.	11	Can NPERS agree to a mutual indemnification provision and to limit indemnification to third-party claims?	No.
12.	Section V. Item B.	25-29	What are the items or areas of concern you would like the new actuary to provide attention to, that the current actuary has not provided, lacked providing, or is unable to provide?	There are no items or areas of concern at this time.
13.	Section III. J. 2.	Page 19	Are any/all of the insurance coverage amounts negotiable?	Any exception to the posted terms should be noted on the solicitation response and may be considered during the evaluation period.  The firm would need to demonstrate an adequate risk management program and financial capacity to cover potential losses, preferably through a dedicated insurance reserve and third-party audit.
14.	Section V	Page 26	Are there a total of 6 valuations prepared each year or 8 valuations, including the Equal Retirement Benefit Fund valuations?	There are a total of 8 valuations which includes the Equal Retirement Benefit Fund valuations.

15.	Section V.B.f.	Page 25	Are the optional form factors and service purchase cost tables and calculators for all plans updated when actuarial assumptions change?	Yes. The board typically adopts new optional form factors shortly after adopting new actuarial assumptions.
16.	Section V.B.2.	Page 26	Is the Omaha Schools valuation a new project compared to past RFPs?  Could you provide some background and timing of NPERS' involvement?  Have all quality issues related to the data to be provided to the actuary been resolved?	Yes.  NPERS assumed administration of the Omaha School plan on September 1, 2024.  The Omaha School valuation begins in February and is usually finalized in May or June. NPERS is currently working through some data quality issues.
17.	Section V.B.2.d.	Page 26	Please provide the date the census data files, and financial information are provided to the actuary for both the July 1 and January 1 valuations.	July 1 Valuations (School, Patrol, and Judges) late July or early August.  January 1 Valuations (State, County, DCP, and OSERS) middle of February.
18.	Section V.3	Pages 27	Please confirm that the actuary performs the allocations by employer for GASB 68 reporting for the cost-sharing multiple employer plans, i.e., School and County plans.	Yes, the actuary performs the allocations.
19.	Section V.4	Page 27	One of the deliverables is a projection model. Is this for NPERS internal use only?	No, it is part of the actuary report.
20.	Section V.4.a	Page 27	Paragraph (a) states that the projections will be based on the latest actuarial valuation results, rolled forward for each quarter. Projections typically model expected valuation results on each future valuation date, not for each quarter. Please verify the result timeframes to be included in the projections (annual or quarterly).	Annually.
21.	Section VI.A.1.i	Page 32	Please confirm that resumes, including three references, are required for all individuals who will be working on NPERS.  Does this requirement extend to non-credentialed staff such as data analysts and clerical support? What type of references are acceptable for internal	NPERS is requiring resumes and three references for all individuals who will be working on NPERS.  NPERS will not extend this requirement to non-credentialed staff.  For internal actuaries, types of references can include supervisors, colleagues, direct reports, and/or former employers.

			actuaries who are not consultants?	
22.			Please provide a copy of the current contract, or a summary of actual fees paid for actuarial consulting since June 30, 2019, if possible.	The current contract can be found on the State Purchasing website: <a href="https://das.nebraska.gov/materiel/purchasing/contracts/pdfs/85344(o4)ren(1)awd.pdf">https://das.nebraska.gov/materiel/purchasing/contracts/pdfs/85344(o4)ren(1)awd.pdf</a>
23.			Please provide a copy of the most recent Benefit Adequacy Study.	See "Attachment D"
24.	Cost Proposal	1	Please provide the annual fixed fee for actuarial services for the past five years.	See response to Question 22.
25.	Cost Proposal	2	Please provide total hours and hourly rates for the past five years for services that have fallen outside of the fixed retainer.	<p>FYE 6/30/24 9.25 hours at \$430/hour 4.5 hours at \$390/hour 20.25 hours at \$350/hour</p> <p>FYE 6/30/23 3.5 hours at \$430/hour</p> <p>FYE 6/30/22 None</p> <p>FYE 6/30/21 1.5 hours at \$428/hour 2.5 hours at \$413/hour</p> <p>FYE 6/30/20 12.5 hours at \$420/hour 4 hours at \$405/hour</p>
26.	General Question	N/A	Are there any specific areas of the actuarial valuation and/or overall process that NPERS would like the vendor to address in the proposal?	Vendors should provide their best proposal response to the RFP requirements.

This addendum will be incorporated into the solicitation.