**Attachment C – Cost Detail Template**

This Cost Detail Template has two parts. The first part correlates with the Sample Contract, Exhibit C: Specifications, Duties, and Scope of Work Detail. Submit only one Cost Detail. Cost Detail will be calculated for both Tier 1 and Tier 2. *If no cost, insert Zero $0 into the corresponding box.* The second part is for Staffing and Personnel by Classification. Include the costs from the hourly rates by classification for the service descriptions for each year’s total.

| **Exhibit C**  **Section Reference** | **Service Description Summary** | **Year 1**  **Cost** | **Year 2**  **Cost** | **Year 3**  **Cost** |
| --- | --- | --- | --- | --- |
| **1** | **General Duties** |  |  |  |
| 1.1 | Load and reconcile all the data in MSRS database |  |  |  |
| 1.2 | Treat all member information as confidential. |  |  |  |
| 1.3 | Seek written consent prior to public release of information resulting from the engagement. |  |  |  |
| 1.4 | Communicate directly with the Executive Director (or appointed designee). |  |  |  |
| 1.5 | Document discussion ideas, issues, and extended services. |  |  |  |
| 1.6 | Perform all services within the scope of the Contract under the direct supervision of a qualified actuary. |  |  |  |
| **2** | **Consultation and Advisory Services** |  |  |  |
| 2.1 | Provide actuarial consultation and advisory services. |  |  |  |
| 2.2 | Standards for Actuarial Work established by the LCPR outline projection valuation requirements. |  |  |  |
| 2.3 | Prepare actuarial cost estimates of proposed legislation. |  |  |  |
| 2.4 | Assist in establishing actuarial specifications for MSRS’ data files. |  |  |  |
| **3** | **Actuarial Valuations** |  |  |  |
| 3.1 | Conduct annual actuarial valuations  A Conduct annual actuarial valuations for MSRS’ five defined benefit retirement funds.  B Compliance requirements for actuarial valuations  C Take a multi-phased approach in the annual actuarial valuation process |  |  |  |
| **4** | **Actuarial Valuation Process** |  |  |  |
|  | Phase 1 – Preliminary Planning |  |  |  |
| 4.1 | Task 1 - Understand recent changes in plan provisions. |  |  |  |
| 4.2 | Task 2 - Understand recent changes in prescribed actuarial methods and assumptions. |  |  |  |
| 4.3 | Task 3 - Understand the requirements of GASB 67 and 68, and related GASB pension guidance, and confirm key fund types and dates with MSRS. |  |  |  |
|  | PHASE 2 - Membership Data Preparation |  |  |  |
| 4.4 | Task 4 - Provide MSRS with listings of missing or questionable data items, based on prior year’s census data file, for data cleansing purposes. |  |  |  |
| 4.5 | Task 5 - Confirm completeness and reasonableness of MSRS’ retirement plan membership or census data file. |  |  |  |
|  | PHASE 3 – Conduct Asset Analyses |  |  |  |
| 4.6 | Task 6 - Develop the Actuarial Value of Assets for the traditional “funding” actuarial valuations. |  |  |  |
| 4.7 | Task 7 - Report MSRS’ Basic Financial Statements for the GASB-compliant “financial reporting” actuarial valuations. |  |  |  |
|  | PHASE 4 – Compute and Project Liabilities, and Analyze Results |  |  |  |
| 4.8 | Task 8 - Incorporate recent changes in actuarial valuation software applications and tools. |  |  |  |
| 4.9 | Task 9 - Perform valuation calculations. |  |  |  |
| 4.10 | Task 10 - Conduct analyses. |  |  |  |
|  | PHASE 5 – Prepare Final Actuarial Valuation Reports and Certification Letters |  |  |  |
| 4.11 | Task 11 - Draft valuation results. |  |  |  |
| 4.12 | Task 12 - Provide MSRS with certification letters. |  |  |  |
| 4.13 | Task 13 - Send twenty (20) hard copies of the final actuarial valuation reports to MSRS. |  |  |  |
|  | PHASE 6 – Present Actuarial Valuation Results |  |  |  |
| 4.14 | 4.14 Task 14 - Present findings |  |  |  |
| **5** | **Extend Contract Services and Deliverables** |  |  |  |
| 5.1 | Prepare experience studies of defined benefit retirement plans: Prepare experience study for State Employees Retirement Fund - General Employees Retirement Plan. |  |  |  |
| 5.2 | Prepare projection valuation studies of Retirement Plans [other than the Legislative Commission on Pensions and Retirement (LCPR) required projections] |  |  |  |
| 5.3 | Perform consulting services not otherwise defined – with prior MSRS approval. |  |  |  |
| 5.4 | Prepare reports projecting demographic trends. |  |  |  |
| 5.5 | Update actuarial factors |  |  |  |
| 5.6 | Prepare various actuarial operating tables and factors |  |  |  |
| 5.7 | Recommend possible improvements in MSRS’ financing and benefit structure, including consulting services related to a dynamic plan. |  |  |  |
| 5.8 | Assist MSRS staff in developing new legislation or proposed changes to existing retirement laws. |  |  |  |
| 5.9 | Assist MSRS in implementation of Governmental Accounting Standards Board at (GASB) pronouncements that pertain to pension accounting and financial reporting and other post-employment benefits, in particular GASB Statement No. 67 and No. 68, and any amendments. |  |  |  |
| 5.10 | Advise on special benefit cases |  |  |  |
| 5.11 | Share “funding” actuarial valuation results with the LCPR’s consulting actuary and respond to questions and requests for information. |  |  |  |
| 5.12 | Deliver customized educational sessions to the MSRS Board of Directors and MSRS staff. |  |  |  |
| 5.13 | Attend LCPR meetings |  |  |  |
| 5.14 | Share “financial reporting” actuarial valuation results with the OLA’s consulting actuary and respond to questions and requests for information. |  |  |  |
| **6** | **Projection tools** |  |  |  |
| 6.1 | Provide access and training on various projection tools. |  |  |  |
| 6.2 | Develop, deliver and install a projection model based on most recent valuation results and current plan provisions. |  |  |  |
| 6.3 | Provide decrement specific projections including decreases or increases in anticipated member growth rates. |  |  |  |
|  |  |  |  |  |
| **Total Cost** | *Include the costs from hourly rates by classification below for the service descriptions for each year’s total.* |  |  |  |  |

**Total Cost 3 years**

**Staffing and Personnel by Classification**

|  |  |  |
| --- | --- | --- |
| **List only one hourly rate per position classification.** | | |
|  | | |
| **Position Classification** | **Proposed Hourly**  **Rates** |
| Supervising consulting actuary |  |
| Consulting actuary |  |
| Support actuary |  |
| Senior actuarial analyst |  |
| Actuarial analyst |  |
| Administration staff person |  |