

STATE OF UTAH



SOLICITATION NO. NO8036

Actuarial Services

RESPONSES ARE DUE PRIOR TO:

Dec 20, 2007 3:00:00 PM MST

RESPONSES MAY BE SUBMITTED ELECTRONICALLY TO:

www.rfpdepot.com

RESPONSES MAY BE MAILED OR DELIVERED TO:

State of Utah
Division of Purchasing
3150 State Office Building, Capitol Hill
Salt Lake City, Utah 84114-1061

Bid NO8036 Actuarial Services

Bid Number NO8036
 Bid Title Actuarial Services

 Bid Start Date Nov 28, 2007 3:47:10 PM MST
 Bid End Date Dec 20, 2007 3:00:00 PM MST
 Question & Answer
 End Date Dec 11, 2007 11:00:00 AM MST

 Bid Contact Nancy Orton
 Purchasing Agent
 Administrative Services
 nancyo@utah.gov

 Contract Duration 5 years
 Contract Renewal Not Applicable
 Prices Good for See Specifications

Bid Comments Please see the attached detailed specifications.

 Questions concerning this solicitation should be submitted via the RFP Depot electronic
 system.

 If you have any trouble submitting your response or attaching documents in the RFP
 Depot site, please contact Vendor Customer Support at (801) 765-9245.

Item Response Form

Item NO8036-1-01 - Actuarial Services
 Quantity 1 contract
 Prices are not requested for this item.
 Delivery Location State of Utah
 N/A
 *
 * UT *
 Qty 1

Description

The Utah State Division of Risk Management requests proposals for an actuarial review of the Utah State Liability Self Insurance Program and an actuarial review of the Utah State Underground Petroleum Storage Tank Fund, per the attached detailed specifications. Two separate reviews and reports are required annually.

State of Utah Request for Proposal

Legal Company Name (include d/b/a if applicable) <input style="width: 90%;" type="text"/>	Federal Tax Identification Number <input style="width: 80%;" type="text"/>	State of Utah Sales Tax ID Number <input style="width: 80%;" type="text"/>	
Ordering Address <input style="width: 95%;" type="text"/>	City <input style="width: 80%;" type="text"/>	State <input style="width: 30%;" type="text"/>	Zip Code <input style="width: 40%;" type="text"/>
Remittance Address (if different from ordering address) <input style="width: 95%;" type="text"/>	City <input style="width: 80%;" type="text"/>	State <input style="width: 30%;" type="text"/>	Zip Code <input style="width: 40%;" type="text"/>
Type <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship <input type="checkbox"/> Government	Company Contact Person <input style="width: 90%;" type="text"/>		
Telephone Number (include area code) <input style="width: 80%;" type="text"/>	Fax Number (include area code) <input style="width: 80%;" type="text"/>		
Company=s Internet Web Address <input style="width: 90%;" type="text"/>	Email Address <input style="width: 90%;" type="text"/>		
Discount Terms (for bid purposes, bid discounts less than 30 days will not be considered) <input style="width: 20%;" type="text"/>	Days Required for Delivery After Receipt of Order (see attached for any required minimums) <input style="width: 20%;" type="text"/>		
The undersigned certifies that the goods or services offered are produced, mined, grown, manufactured, or performed in Utah. Yes <input type="checkbox"/> No <input type="checkbox"/> . If no, enter where produced, etc. <input style="width: 90%;" type="text"/>			
Offeror=s Authorized Representative=s Signature <input style="width: 90%;" type="text"/>	Date <input style="width: 60%;" type="text"/>		
Type or Print Name <input style="width: 90%;" type="text"/>	Position or Title <input style="width: 90%;" type="text"/>		

REQUEST FOR PROPOSAL - INSTRUCTIONS AND GENERAL PROVISIONS

1. SUBMITTING THE PROPOSAL: (a) The Utah Division of Purchasing and General Services (DIVISION) prefers that proposals be submitted electronically. Electronic proposals may be submitted through a secure mailbox at RFP Depot, LLC (www.rfpdepot.com) until the date and time as indicated in this document. It is the sole responsibility of the supplier to ensure their proposal reaches RFP Depot, LLC before the closing date and time. There is no cost to the supplier to submit Utah's electronic proposals via RFP Depot, LLC. (b) Electronic proposals may require the uploading of electronic attachments. The submission of attachments containing embedded documents is prohibited. All documents should be attached as separate files. (c) If the supplier chooses to submit the proposal directly to the DIVISION in writing: The proposal must be signed in ink, sealed, and delivered to the Division of Purchasing, 3150 State Office Building, Capitol Hill, Salt Lake City, UT 84114-1061 by the "Due Date and Time." The "Solicitation Number" and "Due Date" must appear on the outside of the envelope. All prices and notations must be in ink or typewritten. Each item must be priced separately. Unit price shall be shown and a total price shall be entered for each item offered. Errors may be crossed out and corrections printed in ink or typewritten adjacent and must be initialed in ink by person signing offer. Unit price will govern, if there is an error in the extension. Written offers will be considered only if it is submitted on the forms provided by the DIVISION. (d) Proposals, modifications, or corrections received after the closing time on the "Due Date" will be considered late and handled in accordance with the Utah Procurement Rules, section R33-3-209. (e) Facsimile transmission of proposals to DIVISION will not be considered.

2. PROPOSAL PREPARATION: (a) Delivery time of products and services is critical and must be adhered to as specified. (b) Wherever in this document an item is defined by using a trade name of a manufacturer and/or model number, it is intended that the words, "or equivalent" apply. "Or equivalent" means any other brand that is equal in use, quality, economy and performance to the brand listed as determined by the DIVISION. If the supplier lists a trade name and/or catalog number in the offer, the DIVISION will assume the item meets the specifications unless the offer clearly states it is an alternate, and describes specifically how it differs from the item specified. All offers must include complete manufacturer's descriptive literature if quoting an equivalent product. All products are to be of new, unused condition, unless otherwise requested in this solicitation. (c) Incomplete proposals may be rejected. (d) Where applicable, all proposals must include complete manufacturer's descriptive literature. (e) By submitting the proposal the offeror certifies that all of the information provided is accurate, that they are willing and able to furnish the item(s) specified, and that prices offered are correct. (f) This proposal may not be withdrawn for a period of 60 days from the due date.

3. FREIGHT COST: (a) Where "Freight Cost" is listed as a separate line item, suppliers are to provide product line item pricing FOB Origin Less Freight. On the line item for "Freight Cost" suppliers are to indicate the total freight cost FOB Destination Freight Prepaid, and complete the "Freight Information" document. The DIVISION will analyze freight charges separately from the item cost and determine how the shipment will be routed (either by the supplier, or by the State's carrier). (b) Where there is not a line item for "Freight Cost", suppliers are to provide line item pricing FOB Destination Freight Prepaid. Unless otherwise indicated on the contract/purchase order, shipping terms will be FOB Destination Freight Prepaid.

4. SOLICITATION AMENDMENTS: All changes to this solicitation will be made through written addendum only. Answers to questions submitted through RFP Depot shall be considered addenda to the solicitation documents. Bidders are cautioned not to consider verbal modifications.

5. PROTECTED INFORMATION: Suppliers are required to mark any specific information contained in their offer which they are claiming as protected and not to be disclosed to the public or used for purposes other than the evaluation of the offer. Each request for non-disclosure must be made by completing the "Confidentiality Claim Form" located at: <http://www.purchasing.utah.gov/main/Contractinfo/ConfidentialityClaimForm.doc> with a specific justification explaining why the information is to be protected. Pricing and service elements of any proposal will not be considered proprietary. All material becomes the property of the DIVISION and may be returned only at the DIVISION's option.

6. BEST AND FINAL OFFERS: Discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of assuring full understanding of, and responsiveness to, solicitation requirements. Prior to award, these offerors may be asked

to submit best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by a competing offeror.

7. SAMPLES: Samples of item(s) specified in this offer, brochures, etc., when required by the DIVISION, must be furnished free of expense to the DIVISION. Any item not destroyed by tests may, upon request made at the time the sample is furnished, be returned at the offeror's expense.

8. AWARD OF CONTRACT: (a) The contract will be awarded with reasonable promptness, by written notice, to the responsible offeror whose proposal is determined to be the most advantageous to the DIVISION, taking into consideration price and evaluation factors set forth in the RFP. No other factors or criteria will be used in the evaluation. The contract file shall contain the basis on which the award is made. Refer to Utah Code Annotated 65-56-408. (b) The DIVISION may accept any item or group of items, or overall best offer. The DIVISION can reject any or all proposals, and it can waive any informality, or technicality in any proposal received, if the DIVISION believes it would serve the best interests of the DIVISION. (c) Before, or after, the award of a contract the DIVISION has the right to inspect the offeror's premises and all business records to determine the offeror's ability to meet contract requirements. (d) The DIVISION will open proposals publicly, identifying only the names of the offerors. During the evaluation process, proposals will be seen only by authorized DIVISION staff and those selected by DIVISION to evaluate the proposals. Following the award decision, all proposals become public information except for protected information (see number 5 above). A register of proposals and contract awards are posted at www.purchasing.utah.gov/main/index.php?module=Pagesetter&func=viewpub&tid=1&pid=13. (e) Estimated quantities are for bidding purposes only, and not to be interpreted as a guarantee to purchase any amount. (f) Utah has a reciprocal preference law which will be applied against offerors offering products or services produced in states which discriminate against Utah products. For details see Section 63-56-404 and 63-56-405, Utah Code Annotated. (g) Multiple contracts may be awarded if the DIVISION determines it would be in its best interest.

9. DIVISION APPROVAL: Contracts written with the State of Utah, as a result of this proposal, will not be legally binding without the written approval of the Director of the DIVISION.

10. DEBARMENT: The CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the CONTRACTOR cannot certify this statement, attach a written explanation for review by the DIVISION.

11. ENERGY CONSERVATION AND RECYCLED PRODUCTS: The contractor is encouraged to offer Energy Star certified products or products that meet FEMP (Federal Energy Management Program) standards for energy consumption. The State of Utah also encourages contractors to offer products that are produced with recycled materials, where appropriate, unless otherwise requested in this solicitation.

12. GOVERNING LAWS AND REGULATIONS: All State purchases are subject to the Utah Procurement Code, Title 63, Chapter 56 Utah Code Annotated 1953, as amended, and the Procurement Rules as adopted by the Utah State Procurement Policy Board (Utah Administrative Code Section R33). These are available on the Internet at www.purchasing.utah.gov.

13. SALES TAX ID NUMBER: Utah Code Annotated (UCA) 59-12-106 requires anyone filing a bid with the state for the sale of tangible personal property or any other taxable transaction under UCA 59-12-103(1) to include their Utah sales tax license number with their bid. For information regarding a Utah sales tax license see the Utah State Tax Commission's website at www.tax.utah.gov/sales. The Tax Commission is located at 210 North 1950 West, Salt Lake City, UT 84134, and can be reached by phone at (801) 297-2200.

(Revision 13 September 2007 - RFP Instructions)

REQUEST FOR PROPOSAL
ACTUARIAL SERVICES
Solicitation # NO8036

PURPOSE OF REQUEST FOR PROPOSAL (RFP)

The Utah State Division of Risk Management requests proposals for an actuarial review of the Utah State Liability Self Insurance Program and an actuarial review of the Utah State Underground Petroleum Storage Tank Fund. Two separate reviews and reports are required annually. The information from these reports will be used in connection with the closing of the financial records of the State of Utah, completing the annual financial audit, and setting insurance rates to be charged to State agencies and institutions of higher education for future years.

This RFP is designed to provide those interested in responding with sufficient basic information to submit proposals meeting minimum requirements. It is not intended to limit a proposal's content or exclude any relevant or essential data. Offerors are at liberty and are encouraged to expand upon the specifications to explain their service capability.

BACKGROUND

The Division is part of the Utah State Department of Administrative Services and it administers several self-insurance programs that cover all State agencies, institutions of higher education, and on a voluntary basis, all Utah public school districts and most Charter Schools.

The Division has separated their various lines of insurance into four categories: liability, property, vehicle comp/collision claims and workers' compensation. The first three categories are managed by in-house adjusters. The Division has contracted with the Workers Compensation Fund of Utah, a quasi-governmental unit, for workers' compensation insurance for state agencies.

Legal services are provided by the Utah State Attorney General's Office. Legal expense is charged against specific claims and lawsuits in the State's claims tracking system. The average legal expense is approximately \$350,000 per month.

The State's governmental immunity laws limit the amount of claims that can be awarded for cases filed in state courts to \$583,900 per person. For fiscal year 2006 the aggregate limits per occurrence were \$1,167,900 and for fiscal year 2007 these limits were increased by the legislature to \$2 million per occurrence. Unless otherwise changed by the legislature, the governmental immunity limits increase bi-annually based on the Consumer Price Index.

The Division uses Valley Oak Systems' ivos software as its MIS/claims tracking system. The Contractor will be provided loss runs exported from this system in Excel spreadsheet format for use in the actuarial review of the Liability Fund.

LIABILITY FUND – The Division was established in 1980 and the Fund has been self-insured since 1985. The State Risk Manager is currently in negotiations to purchase excess liability insurance coverage with a high deductible.

The Liability Fund is comprised of four groups: 43 State agencies, Utah Department of Transportation, 19 institutions of Higher Education and 40 School Districts (including 52 Charter Schools.)

The Fund provides liability insurance coverage for approximately 100,000 FTE's (\$4.6 billion in payroll) and 11,000 vehicles. There are approximately 16,000 lane miles of roads maintained by the Utah Department of Transportation.

UNDERGROUND PETROLEUM STORAGE TANK FUND (UST) – UST provides financial coverage to underground petroleum storage tank owners whose tanks comply with federal environmental regulations. The Fund provides coverage to pay for cleanup, investigation and indemnification for third party losses caused by leaks from underground petroleum storage tanks covered by the program. The Fund was established in 1990, and is administered by the Utah Department of Environmental Quality.

ISSUING OFFICE AND RFP REFERENCE NUMBER

The State of Utah Division of Purchasing is the issuing office for this document and all subsequent addenda relating to it, on behalf of the Division. The reference number is Solicitation #NO8036. This number must be referred to on all proposals, correspondence, and documentation relating to the RFP.

SUBMITTING YOUR PROPOSAL

Proposals must be received by the posted due date and time. Proposals received after the deadline will be late and ineligible for consideration.

The preferred method of submitting your proposal is electronically through RFP Depot. However, if you choose to submit hard copies, one original and five identical copies of your proposal must be received at the State of Utah Division of Purchasing, 3150 State Office Building, Capitol Hill, P.O. Box 141061, Salt Lake City, Utah 84114-1061.

TERM AND LENGTH OF CONTRACT

The contract resulting from this RFP is anticipated to be for five years starting July 1, 2008. The contract may be extended beyond the original contract period for five additional years at the State's discretion and by mutual agreement.

RATE GUARANTEE PERIOD

The rates offered in response to this RFP must be guaranteed for 5 years.

STANDARD CONTRACT TERMS AND CONDITIONS

Any contract resulting from this RFP will include, but not be limited to, the State's Standard Terms and Conditions. A copy is attached.

INDEMNIFICATION

Utah State Purchasing Division's standard contract wording indicates the following in the section titled Indemnity Clause:

"The Contractor agrees to indemnify, save harmless, and release the State of Utah, and all its officers, agents, volunteers, and employees from and against any and all loss, damages, injury, liability, suits, and proceedings arising out of the performance of this contract which are caused in whole or in part by the acts or negligence of the Contractor's officers, agents, volunteers, or employees, but not for claims arising from the State's sole negligence."

Your response to this RFP must include changes, if any, that you would require to this wording.

QUESTIONS

All questions must be submitted through RFP Depot. Answers will be given via the RFP Depot site.

DISCUSSIONS WITH OFFERORS (ORAL PRESENTATION)

An oral presentation by an offeror to clarify a proposal may be required at the sole discretion of the State. However, the State may award a contract based on the initial proposals received without discussion with all offerors. If oral presentations are required, they will be scheduled after the submission of proposals. Oral presentations will be made at the offeror's expense.

PROTECTED INFORMATION

The Government Records Access and Management Act (GRAMA), Utah Code Ann., Subsection 63-2-304, provides in part that:

the following records are protected if properly classified by a government entity:

(1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret has provided the governmental entity with the information specified in Section 63-2-308 (Business Confidentiality Claims);

(2) commercial information or non-individual financial information obtained from a person if:

(a) disclosure of the information could reasonably be expected to result in unfair competitive injury to the person submitting the information or

would impair the ability of the governmental entity to obtain necessary information in the future;

(b) the person submitting the information has a greater interest in prohibiting access than the public in obtaining access; and

(c) the person submitting the information has provided the governmental entity with the information specified in Section 63-2-308;

* * * * *

(6) records the disclosure of which would impair governmental procurement proceedings or give an unfair advantage to any person proposing to enter into a contract or agreement with a governmental entity, except that this Subsection (6) does not restrict the right of a person to see bids submitted to or by a governmental entity after bidding has closed; ...

GRAMA provides that trade secrets, commercial information or non-individual financial information may be protected by submitting a Claim of Business Confidentiality.

To protect information under a Claim of Business Confidentiality, the Contractor must:

1. provide a written Claim of Business Confidentiality at the time the information (proposal) is provided to the state, and
2. include a concise statement of reasons supporting the claim of business confidentiality (Subsection 63-2-308(1)).
3. submit an electronic "redacted" (excluding protected information) copy of your proposal response. Copy must clearly be marked "Redacted Version."

A Claim of Business Confidentiality may be appropriate for information such as client lists and non-public financial statements. Pricing and service elements may not be protected. An entire proposal may not be protected under a Claim of Business Confidentiality. The claim of business confidentiality must be submitted with your proposal on the form which may be accessed at:

<http://www.purchasing.utah.gov/main/Contractinfo/ConfidentialityClaimForm.doc>

To ensure the information is protected, the Division of Purchasing asks the offeror to clearly identify in the Executive Summary and in the body of the proposal any specific information for which a offeror claims business confidentiality protection as "PROTECTED".

All materials submitted become the property of the state of Utah. Materials may be evaluated by anyone designated by the state as part of the proposal evaluation committee. Materials submitted may be returned only at the State's option.

DETAILED SCOPE OF SERVICES

- A. Liability Self Insurance Program (dates listed are for the first year of the contract):
1. Establishment of self-insured total loss and LAE reserves at June 30, 2008, for occurrences from July 1, 1980, as of June 30, 2008 at 55%, 70% and 90% confidence levels, both discounted and undiscounted.
 2. For financial statement reporting purposes, a calculation of the current and non-current portions of the reserve in item 1.
 3. The information listed in item 1, but with separate amounts for each of the following departmental groups: Schools Districts, Utah Department of Transportation, Higher Education and Other State Agencies.
 4. Reserves shall include paid claims and reserve funding amount for prior loss years as well as five years' projection of future claims and funding requirements.
 5. Estimation of ultimate losses and expenses for occurrences from July 1, 2009 through June 30, 2010 at 55%, 70% and 90% confidence levels, both discounted and undiscounted.
 6. The information listed in item 5, but with separate amounts for each of the following departmental groups – Schools Districts, Utah Department of Transportation, Higher Education and Other State Agencies. This information will be used as a starting point in establishing liability insurance premiums for each state agency and institution of higher education (see 9 below.)
 7. A brief explanation for the change in the year-end reserve that can be used as part of the justification for the change to the Utah State Legislature and Internal Service Fund Rate Committee.
 8. A brief description of the various actuarial methods employed in the study.
 9. Suggested premiums to be charged by the Division to each of the individual State Agencies (including Utah Department of Transportation) and the institutions of Higher Education for the year beginning July 1, 2009 through June 30, 2010. Changes in individual premiums between the current year and the prior year should be limited to no more than a 20% increase or decrease each year.
 10. Cash-flow based equity positions for the four separate groups relating to their financial balance with the fund. This information should be based on a cash flow model showing each group's respective equity balances versus their target equity balance as of June 30, 2008.
 11. The Contractor shall meet with the Divisions once a year to discuss the reviews and the reports and provide recommendations for future reviews and reports.

12. The services requested will be based partially on information provided by the Division. Information provided will include loss runs and total expenditures for each year for higher education, state agencies, school districts, and for the Department of Transportation. The Contractor shall provide the Division a list of requirements and data needed for the Contractor to complete their report. The list must be timely, precise, clear and concise and include scope and format.
13. A draft of the information requested above must be available by July 31, 2008. The final printed report must be completed by August 15, 2008.
14. The Contractor shall provide six bound copies of the final report along with an electronic copy (Adobe Acrobat .pdf file format is preferred.) The Division reserves the right to make copies of the report as needed.

B. Assistance will be needed from the Contractor in calculating the appropriate year end reserves for the State's Workers Compensation program for FY2007. This was the only year in which the Division did not have a guaranteed cost contract for workers compensation insurance.

C. Underground Petroleum Storage Tank Fund:

1. The Contractor shall project the future of this Fund's cash balance as of June 30, 2008, along with a ten year projection.
2. The Contractor shall calculate the liability for open unsettled claims as of June 30, 2008 and as of the next ten fiscal years.
3. The Contractor shall provide two bound copies of the final report along with one unbound copy. The Division of Risk Management and the Department of Environmental Quality reserves the right to make copies of the report as needed.
4. The Underground Petroleum Storage Tank Fund report must be completed by August 22 each year.
5. The data that can be provided by the Department of Environmental Quality includes the Fund's claim experience, information regarding the physical characteristics of the insured tank population, federal and Department of Environmental Quality regulations and information from other underground petroleum storage tank programs.

D. Additional services as requested. This may include things like preparation of cost estimates and analysis of the impact to reserves resulting from proposed legislation.

PROPOSAL REQUIREMENTS AND OFFEROR QUALIFICATIONS

The following requirements are considered mandatory. If, in the evaluation process, it is determined that any of the following requirements have not been met, the offer will be rejected. Your response to this RFP should include a response to the following items, in this order and using the following numbering system:

1. All offerors must be authorized to do business in the State of Utah. The offeror cannot be under suspension or debarment by the State or any other governmental authority. The offeror must disclose in their response: any convictions of the offeror, its affiliates and all directors, officers and employees and its affiliates for violation of any violation of State or federal law involving fraud, bribery, collusion, conspiracy or misrepresentation with respect to insurance; commission of fraud or a criminal offense in connection with any offer or service. The offeror must not have been issued a 'Cease and Desist Order' (or any similar order) from the Insurance Commissioner in the State of Utah for any reason within the past five years. Provide an affirmative statement that the offeror complies with this requirement.
2. All offerors must have experience in providing actuarial services including calculation of actuarial reserves for both Self-Insurance Funds and Underground Petroleum Storage Tank Trust Funds. Describe your relevant experience and dates of service.
3. Offerors must assign as the lead contact at least one senior level experienced licensed actuary with decision-making authority for the offeror. This person must be an active Fellow of the Casualty Actuarial Society. Provide the name and credentials of the person to be assigned.
4. The offeror must have on staff and assign to perform services under the contract, a lead contact and project manager who meet the following qualifications. Provide specific responses to each of the following:
 - a. At least three years experience in performing activities similar to those outlined in this Request for Proposal for other self insured public entities;
 - b. Proven knowledge of claim reserving for self insured public entities;
 - c. Proven knowledge of environmental issues with public entities and with federal environmental regulations; and
 - d. Experience in performing the requested type of work. In order to demonstrate your understanding of this request, describe the procedures and the report you would provide.
5. When necessary, the selected Contractor may replace personnel, but the Contractor must agree to only assign personnel satisfactory to the Division and obtain prior approval from the Division. The Contractor must agree to replace personnel who do not perform in a manner satisfactory to the Division. Confirm that if the offeror is selected as the Contractor, the offeror will comply with this provision.

6. The Contractor must agree that the Division shall be the final authority in matters of policy, procedures and approval of annual reports. If the Division determines that the Contractor's work is not satisfactory, either before or after the initial report or final report is issued because it did not conform to the Scope of Work or specifications, the Contractor shall submit a revised report at the Contractor's expense within the time period required by the Division. Confirm that if the offeror is selected as the Contractor, the offeror will comply with this provision.

PROPOSAL EVALUATION FACTORS

Qualifications and Expertise of Staff

7. Provide a detailed identification and description of the potential Contractor and the staff members who will perform services under the contract. Provide information specifying the potential Contractor=s and designated staff members= qualifications, expertise and ability to provide the proposed services.
8. Provide background information about the offeror's qualifications in the form of a brief history and description of services in this area. Indicate the numbers of employees (total as well as those who are located in Utah.) Provide information about the physical location of offices in Utah. Include the number of years the offeror has been providing these services. Provide the number of years the offeror has provided services in the state of Utah.
9. Describe your national casualty actuarial resource office. If none, so indicate.
10. Submit a sample of a final report for a similar engagement. Include items such as a summary of tables and graphs along with some tables from the detailed work area.
11. Because the actuarial information related to the Liability Fund is required for the timely completion of the State's Comprehensive Annual Financial Report, the Contractor must insure a smooth transition. Describe how you will meet this requirement.
12. Indicate whether the offeror is headquartered in Utah, and if not, where it is headquartered and from where it is ultimately directed.
13. Describe any important features that distinguish the offeror's qualifications and expertise from those of other offerors.

Experience, Performance References and Reputation

14. Describe your experience working with large, self-insured governmental entities in providing actuarial reports, assistance in determining the appropriate financial statement reserves for liability funds, cash equity and providing suggested premiums by agency. Preference will be given for experience in providing actuarial services for at least one state government, and a large public or governmental entity with at least 20,000 employees within the past five years. The Division reserves the right to contact such other clients for references.

15. Describe your experience providing similar services to other large Utah State entities. Include a description of your experience with Utah laws and in providing similar services to Utah entities.
16. Describe your internal procedures for quality control over actuarial reports before they are issued.
17. Provide five references that the Division can contact if it desires in connection with this solicitation. For each, provide the names and addresses of the entities, the names of contact persons and their telephone numbers and email addresses, and the dates and types of services the offeror provided, and the number of employees covered. Preference will be given in the evaluation for references from large public entities comparable to the state of Utah. (The prior performance of the offeror and the employees proposed to be assigned to this contract may be evaluated through the committee's contact with supplied references and other reliable sources as deemed necessary.)

Cost

18. Respond to this item on the attached "Cost Proposal" Form.

PROPOSAL RESPONSE FORMAT

All proposals must be organized with the following headings:

1. RFP Form. The State's Request for Proposal form completed and signed.
2. Executive Summary. The one or two page executive summary is to briefly describe the offeror's proposal. This summary should highlight the major features of the proposal. It must indicate any requirements that cannot be met by the offeror. The reader should be able to determine the essence of the proposal by reading the executive summary. Proprietary information requests should be identified in this section.
3. Detailed Response. Provide one response to each item listed above. Where possible, please be brief and concise. This section should constitute the major portion of the proposal, and it must contain a specific point-by-point response, in the order listed, to each requirement in the sections above titled:
 - a. Proposal Requirements and Offeror Qualifications.
 - b. Proposal Evaluation Factors.
4. Cost Proposal. Cost will be evaluated independently from the technical proposal. All costs must be shown on the attached Cost Proposal Form.

PROPOSAL EVALUATION CRITERIA

A committee will evaluate proposals against the following weighted criteria. Each area of the evaluation criteria must be addressed in detail in your proposal.

<u>WEIGHT</u>	<u>EVALUATION CRITERIA</u>
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35%	Offeror=s qualifications and expertise of staff as specified herein.
35%	Offeror=s experience, performance references, and reputation as specified herein.
30%	Cost

Actuarial Services
Solicitation #NO8036

COST PROPOSAL

Liability Fund Actuarial Report

(including assistance with calculation of
Workers Compensation Reserves for FY2007):

For the fiscal year ended June 30, 2008	\$ _____
For the fiscal year ended June 30, 2009	\$ _____
For the fiscal year ended June 30, 2010	\$ _____
For the fiscal year ended June 30, 2011	\$ _____
For the fiscal year ended June 30, 2012	\$ _____

Underground Petroleum Storage Tank Actuarial Report:

For the fiscal year ended June 30, 2008	\$ _____
For the fiscal year ended June 30, 2009	\$ _____
For the fiscal year ended June 30, 2010	\$ _____
For the fiscal year ended June 30, 2011	\$ _____
For the fiscal year ended June 30, 2012	\$ _____

Hourly Rate for Additional Services Requested \$ _____ per/hr.

NOTES:

1. All amounts are to include out-of-pocket expenses.
2. Any deviation from this format may result in disqualification of proposal.

ACTUARIAL SERVICES

Solicitation #NO8036

RFP EVALUATION SCORESHEET

Offeror Name: _____

Evaluator: _____

Date: _____

Score will be assigned as follows:

- 0 = Failure, no response
- 1 = Poor, inadequate, fails to meet requirement
- 2 = Fair, only partially responsive
- 3 = Average, meets minimum requirement
- 4 = Above average, exceeds minimum requirement
- 5 = Superior

		Score (0-5)	Weight	Points
Qualifications and expertise of staff	35 points possible		X7	
Experience, performance references and reputation	35 points possible		X7	
Cost	30 points possible		* Inserted by State Purchasing	
TOTAL EVALUATION POINTS	(100 points possible)		Total	

* Purchasing will use the following cost formula: The points assigned to each offeror's cost proposal will be based on the lowest proposal price. The offeror with the lowest Proposed Price will receive 100% of the price points. All other offerors will receive a portion of the total cost points based on what percentage higher their Proposed Price is than the Lowest Proposed Price. A offeror whose Proposed Price is more than double (200%) the Lowest Proposed Price will receive no points. The formula to compute the points is: $\text{Cost Points} \times (2 - \frac{\text{Proposed Price}}{\text{Lowest Proposed Price}})$.

ATTACHMENT A: STATE OF UTAH STANDARD TERMS AND CONDITIONS

1. **AUTHORITY:** Provisions of this contract are pursuant to the authority set forth in 63-56, Utah Code Annotated, 1953, as amended, Utah State Procurement Rules (Utah Administrative Code Section R33), and related statutes which permit the State to purchase certain specified services, and other approved purchases for the State.
2. **CONTRACT JURISDICTION, CHOICE OF LAW, AND VENUE:** The provisions of this contract shall be governed by the laws of the State of Utah. The parties will submit to the jurisdiction of the courts of the State of Utah for any dispute arising out of this Contract or the breach thereof. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.
3. **LAWS AND REGULATIONS:** The Contractor and any and all supplies, services, equipment, and construction furnished under this contract will comply fully with all applicable Federal and State laws and regulations.
4. **RECORDS ADMINISTRATION:** The Contractor shall maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Contractor for costs authorized by this contract. These records shall be retained by the Contractor for at least four years after the contract terminates, or until all audits initiated within the four years, have been completed, whichever is later. The Contractor agrees to allow State and Federal auditors, and State Agency Staff, access to all the records to this contract, for audit and inspection, and monitoring of services. Such access will be during normal business hours, or by appointment.
5. **CONFLICT OF INTEREST:** Contractor represents that none of its officers or employees are officers or employees of the State of Utah, unless disclosure has been made in accordance with 67-16-8, Utah Code Annotated, 1953, as amended.
6. **CONTRACTOR, AN INDEPENDENT CONTRACTOR:** The Contractor shall be an independent contractor, and as such, shall have no authorization, express or implied, to bind the State to any agreements, settlements, liability, or understanding whatsoever, and agrees not to perform any acts as agent for the State, except as herein expressly set forth. Compensation stated herein shall be the total amount payable to the Contractor by the State. The Contractor shall be responsible for the payment of all income tax and social security amounts due as a result of payments received from the State for these contract services. Persons employed by the State and acting under the direction of the State shall not be deemed to be employees or agents of the Contractor.
7. **INDEMNITY CLAUSE:** The Contractor agrees to indemnify, save harmless, and release the State of Utah, and all its officers, agents, volunteers, and employees from and against any and all loss, damages, injury, liability, suits, and proceedings arising out of the performance of this contract which are caused in whole or in part by the acts or negligence of the Contractor's officers, agents, volunteers, or employees, but not for claims arising from the State's sole negligence.
8. **EMPLOYMENT PRACTICES CLAUSE:** The Contractor agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the Contractor agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the work place.
9. **SEPARABILITY CLAUSE:** A declaration by any court, or any other binding legal source, that any provision of this contract is illegal and void shall not affect the legality and enforceability of any other provision of this contract, unless the provisions are mutually dependent.
10. **RENEGOTIATION OR MODIFICATIONS:** This contract may be amended, modified, or supplemented only by written amendment to the contract, executed by the same persons or by persons holding the same position as persons who signed the original agreement on behalf of the parties hereto, and attached to the original signed copy of the contract. Automatic renewals will not apply to this contract.
11. **DEBARMENT:** The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract), by any governmental department or agency. If the Contractor cannot certify this statement, attach a written explanation for review by the State. The Contractor must notify the State Director of Purchasing within 30 days if debarred by any governmental entity during the Contract period.
12. **TERMINATION:** Unless otherwise stated in the Special Terms and Conditions, this contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the contract may be terminated for cause. This contract may be terminated without cause, in advance of the specified expiration date, by either party, upon sixty (60) days prior written notice being given the other party. On termination of this contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.
13. **NONAPPROPRIATION OF FUNDS:** The Contractor acknowledges that the State cannot contract for the payment of funds not yet appropriated by the Utah State Legislature. If funding to the State is reduced due to an order by the Legislature or the Governor, or is required by State law, or if federal funding (when applicable) is not provided, the State may terminate this contract or proportionately reduce the services and purchase obligations and the amount due from the State upon 30 days written notice. In the case that funds are not appropriated or are reduced, the State will reimburse Contractor for products delivered or services performed through the date of cancellation or reduction, and the State will not be liable for any future commitments, penalties, or liquidated

damages.

14. **SALES TAX EXEMPTION:** The State of Utah's sales and use tax exemption number is E33399. The tangible personal property or services being purchased are being paid from State funds and used in the exercise of that entity's essential functions. If the items being purchased are construction materials, they will be converted into real property by employees of this government entity, unless otherwise stated in the contract.
15. **WARRANTY:** The Contractor agrees to warrant and assume responsibility for all products (including hardware, firmware, and/or software products) that it licenses, contracts, or sells to the State of Utah under this contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in this contract. The Contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to this contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to this contract unless otherwise specified and mutually agreed upon elsewhere in this contract. In general, the Contractor warrants that: (1) the product will do what the salesperson said it would do, (2) the product will live up to all specific claims that the manufacturer makes in their advertisements, (3) the product will be suitable for the ordinary purposes for which such product is used, (4) the product will be suitable for any special purposes that the State has relied on the Contractor's skill or judgment to consider when it advised the State about the product, (5) the product has been properly designed and manufactured, and (6) the product is free of significant defects or unusual problems about which the State has not been warned. Remedies available to the State include the following: The Contractor will repair or replace (at no charge to the State) the product whose nonconformance is discovered and made known to the Contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State of Utah may otherwise have under this contract.
16. **PUBLIC INFORMATION:** Except as identified in writing and expressly approved by the State Division of Purchasing, Contractor agrees that the contract and related Sales Orders and Invoices will be public documents, and may be available for distribution. Contractor gives the State express permission to make copies of the contract, the response to the solicitation, and related Sales Orders and Invoices in accordance with the State of Utah Government Records Access and Management Act. The permission to make copies as noted will take precedence over any statements of confidentiality, proprietary information, copyright information, or similar notation.
17. **DELIVERY:** Unless otherwise specified in this contract, all deliveries will be F.O.B. destination with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage will remain with Contractor until final inspection and acceptance when responsibility will pass to the State except as to latent defects, fraud and Contractor's warranty obligations.
18. **ORDERING AND INVOICING:** All orders will be shipped promptly in accordance with the delivery schedule. The Contractor will promptly submit invoices (within 30 days of shipment or delivery of services) to the State. The State contract number and/or the agency purchase order number shall be listed on all invoices, freight tickets, and correspondence relating to the contract order. The prices paid by the State will be those prices listed in the contract. The State has the right to adjust or return any invoice reflecting incorrect pricing.
19. **PAYMENT:** Payments are normally made within 30 days following the date the order is delivered or the date a correct invoice is received, whichever is later. All payments to the Contractor will be remitted by mail unless paid by the State of Utah's Purchasing Card (major credit card).
20. **PATENTS, COPYRIGHTS, ETC.:** The Contractor will release, indemnify and hold the State, its officers, agents and employees harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or un-patented invention, article or appliance furnished or used in the performance of this contract.
21. **ASSIGNMENT/SUBCONTRACT:** Contractor will not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the State.
22. **DEFAULT AND REMEDIES:** Any of the following events will constitute cause for the State to declare Contractor in default of the contract: 1. Nonperformance of contractual requirements; 2. A material breach of any term or condition of this contract. The State will issue a written notice of default providing a ten (10) day period in which Contractor will have an opportunity to cure. Time allowed for cure will not diminish or eliminate Contractor's liability for damages. If the default remains, after Contractor has been provided the opportunity to cure, the State may do one or more of the following: 1. Exercise any remedy provided by law; 2. Terminate this contract and any related contracts or portions thereof; 3. Impose liquidated damages, if liquidated damages are listed in the contract; 4. Suspend Contractor from receiving future solicitations.
23. **FORCE MAJEURE:** Neither party to this contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. The State may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.
24. **PROCUREMENT ETHICS:** The Contractor understands that a person who is interested in any way in the sale of any supplies, services, construction, or insurance to the State of Utah is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan or reward, or any promise thereof to any person acting as a procurement officer on behalf of the State, or who in any official capacity participates in the procurement of such supplies, services, construction, or insurance, whether it is given for their own use or for the use or benefit of any other person or organization (63-56-1002, Utah Code Annotated, 1953, as

amended).

25. **CONFLICT OF TERMS:** Contractor Terms and Conditions that apply must be in writing and attached to the contract. No other Terms and Conditions will apply to this contract including terms listed or referenced on a Contractor's website, terms listed in a Contractor quotation/sales order, etc. In the event of any conflict in the contract terms and conditions, the order of precedence shall be: 1. Atth. A: State of Utah Standard Terms and Conditions; 2. State of Utah Contract Signature Page(s); 3. State Additional Terms and Conditions; 4. Contractor Terms and Conditions.
26. **ENTIRE AGREEMENT:** This Agreement, including all Attachments, and documents incorporated hereunder, and the related State Solicitation constitutes the entire agreement between the parties with respect to the subject matter, and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written. The terms of this Agreement shall supersede any additional or conflicting terms or provisions that may be set forth or printed on the Contractor's work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of the Contractor that may subsequently be used to implement, record, or invoice services hereunder from time to time, even if such standard forms or documents have been signed or initialed by a representative of the State. The parties agree that the terms of this Agreement shall prevail in any dispute between the terms of this Agreement and the terms printed on any such standard forms or documents, and such standard forms or documents shall not be considered written amendments of this Agreement.

(Revision date: 12 Feb 2007)