

# Questions

## Actuarial Audit Services RFP

### DCRB-14-034

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1. What is the estimated budget for the services requested in the RFP?

DCRB does not provide information related to specific project budgets to firms that respond to an RFP. You can, however, find a copy of our Comprehensive Annual Financial Report (which includes project expenditures) posted on our web site at [www.dcrb.dc.gov](http://www.dcrb.dc.gov).

2. Please confirm that the audit will be a limited scope audit as opposed to a full replication audit?

As indicated on Page 2 (Article I, Section B) of the RFP, "The Offeror shall perform a statistical sample of the data and provide an opinion." (In essence, a limited, not a full scope audit.)

3. Please confirm that the audit will include a review of six valuations (2008-2013). Since Cavanaugh Macdonald was hired in 2010, would DCRB consider limiting scope of the audit to the valuation reports prepared by Cavanaugh Macdonald?

Although it is important to DCRB to determine whether the performance of its current actuary is in compliance with appropriate actuarial standards, DCRB believes that that performance is best determined in the context of fund information of at least a five-year duration. In this case, DCRB has chosen a six-year span of time.

4. Was the prior actuarial audit a full scope or limited scope audit? Can you please provide a copy of the report?

The prior actuarial audit was a limited scope audit. A copy of that audit will be made available to the organization that is chosen to perform this audit.

5. What were the fees paid for the most recent actuarial audit?

DCRB is interested in knowing the fee you would charge for performing this work. The amount we paid to the firm that performed such an audit over six (6) years ago is not relevant to this audit.

6. Will Cavanaugh Macdonald provide the Contractor with detailed test life calculation output as requested by the Contractor?

Cavanaugh Macdonald will provide the firm selected for this audit with everything they need to perform the audit.

7. Will the Contractor be provided with the data files provided to Cavanaugh Macdonald as well as the valuation-ready data that Cavanaugh Macdonald used in its valuations?

See the response to Question #6 above.

8. Will the Contractor be provided with a listing of the data edits that Cavanaugh Macdonald performed on raw data files?

See the response to Question #6 above.

9. Are there any specific areas of the actuarial valuation that DCRB would like the Contractor to address?

DCRB expects the selected firm to complete the audit as specified in the RFP, i.e., that "The audit will evaluate the adequacy of the recent actuarial valuations and experience study, and comment on the reasonableness and adequacy of the methods, assumptions, certifications and conclusions."

10. The information listed on Page 4, F. proposal Submission has the date for submission as Monday, September 18, 2014. However, that date falls on a Thursday. Can you please confirm if the correct submission should be Thursday, September 18, 2014?

Although that date is now past, September 18th was the date indicated and intended. DCRB's most recent solicitation amendment requires that proposals be submitted on October 16, 2014.

11. Can you confirm how many copies of the proposal are required?

DCRB requested one (1) electronic copy specified on #9 of the Solicitation, Offer and Award page.

12. In Article I.B. we note in the Scope of Work that "the scope of the audit will be to review the annual valuations performed 2008-2013 and the most recent experience study". Please confirm that the DCRB is not requiring a full replication valuation (i.e. using 100% of the data to separately and independently prepare a valuation of the benefits).

See the response to Question #2 above.

13. Please provide a copy of the 2008-2013 annual valuations and the most recent experience study.

You can find copies of these documents on our website at [www.dcrb.dc.gov](http://www.dcrb.dc.gov).

14. Please provide a copy of the actuary's Board presentation on the Experience Study, if such a presentation was made.

A copy of the Board presentation on the Experience Study may be made available to the organization that is chosen to perform this audit.

15. When was the last audit of the DCRB's appointed actuary conducted? If a prior audit has been conducted please provide a copy of the prior audit report.

This is the first audit of DCRB's current actuary.

16. Under Section B. Scope of Work, first paragraph - is the review of the annual valuations performed from 2008-2013 to be based on a full replication of the valuations or is this a limited scope audit based on a sample of the data?

Please see the answer to Question #2 above.

17. It seems that by the time the auditing firm is selected, the 10/1/2014 valuation will be complete. So, will this be the one that is to be reviewed, or is it the 2013 valuation that is intended?

Although the 2014 valuation will be completed by the time this audit begins, it will not yet have been presented to the Board; hence, it is not intended that the review cover the current valuation.

18. Also, is there an experience study being done this year (through 2014), or will the last one (from 2011) be covered in the review?

No experience study is being performed this year, so the 2011 study is the one that is intended to be reviewed.