

REQUEST FOR PROPOSALS #0011

ADMINISTRATIVE AND ACTUARIAL SERVICES FOR LENGTH OF SERVICE AWARD PROGRAMS FOR VOLUNTEER AMBULANCE WORKERS AND VOLUNTEER FIREFIGHTERS

OFFICE OF THE STATE COMPTROLLER

RESPONSES TO QUESTIONS

The official responses to questions submitted pursuant to the above-captioned procurement are listed below. Responses are in **bold blue type**.

Question #1:

Page 4, Section 1.0, the Anticipated Commencement of Work is stated to be May 14, 2025. Can you please provide the intended date?

Response:

The Anticipated Commencement of Work is May 14, 2026.

Question #2:

If the intended date is May 14, 2026, a transition could be problematic and disruptive for the sponsors and volunteers at that time (according to the provided rules and regulations). It would appear that the current Administrator would still be preparing the reports and participant statements for these plans. Is it possible to transition the work during late 2025 to minimize disruptions?

Response:

OSC expects the awardee to commence services by May 14, 2026, however, it is possible that the start date may be sooner if the RFP process ends with a fully approved (i.e., approvals from the Attorney General and OSC Bureau of Contracts) contract prior to that time. The timing of the transition will occur at OSC's discretion.

Question #3:

Page 5, Section 2.3 provides the total number of participants (4,495) and plans, broken down by type. To know how to properly bid on this RFP, can you provide the breakout of the 4,495 participants per type of plan? Such as, # in DC ambulance, # in DC fire department, # in DB ambulance squad, and # in DB fire department?

Response: As of December 31, 2024, OSC notes that there were 4, 536 participants across State-administered volunteer ambulance and volunteer firefighter length of service award programs. The total number of participants per plan type is as follows:

VAW DC	1,248
VAW DB	2,742
FIRE DB	250
FIRE DC	296
4,536	

Question #4:

Page 5, section 2.3, states that sponsors may elect to have the State administer their LOSAP.

- Once a sponsor elects to have the State administer their LOSAP, can they elect to stop having the State administer their LOSAP and opt for another administrator?
- If the current Administrator is not awarded a contract as a result of this RFP, could the sponsors simply elect to continue to work with the current Administrator separately from this contract?

Response:

- Sponsors may elect to self-administer volunteer firefighter LOSAPs and contract with a different administrator, subject to any applicable requirements set forth in the New York State General Municipal Law or any other applicable laws, regulations, standards, or procedures established by the political subdivision.
- If the current Administrator is not awarded a contract as a result of this RFP, Sponsors of volunteer firefighter LOSAPs will need to follow applicable requirements set forth in the New York State General Municipal Law or any other applicable laws, regulations, standards, or procedures established by the political subdivision when contracting with a different administrator.

Question #5:

Page 33, Attachment C, Cost Proposal – the fee structure includes a Base Fee for defined benefit plans but not for defined contribution plans. Can Attachment C be revised so that a Base Fee can be quoted for defined contribution plans?

Response: Yes. The revised Attachment C (Cost Proposal) is available in Amendment #2 which is being posted to the OSC website (<https://www.osc.ny.gov/procurement>) along with these Q&A responses. Please note that Proposers may, but are not required, to include a Base Fee quote for defined contribution plans.

Question #6:

The cost proposal and the SERVICES section 3.0 beginning on page 7 do not mention preparing actuarial reports for compliance with Government Accounting Standards Board Statement No. 73. It does mention “supplemental services” in section 3.37.

- Is this service not required, or just not covered under this contract?
- If a sponsor requires this work, will it be provided by the contracted Administrator/Actuary?
- If the current Administrator is providing this service, can the Comptroller provide the number of sponsors that require this service?
- If a sponsor requires this work, and the current Administrator/Actuary is not awarded a contract as a result of this RFP, can the current Administrator/Actuary compete to continue to provide this service directly with each sponsor?

Response:

- Reports compliant with GASB Statement No. 73 are not required as part of the services, but a sponsor may request that the Administrator perform such services. Any GASB 73 Package, actuarial cost studies, plan establishment fees, and audit package fees services that are not within the scope of the contract are billed directly to and paid for by the Sponsor.
- If a LOSAP sponsor requires and requests GASB Statement No. 73 reports, the contracted Administrator/Actuary will perform such work and the sponsor pays the Administrator/Actuary for such work/reports. Generally, municipal accountants complete their Sponsors' GASB 73 disclosures/requirements for defined contribution plans and they are not submitted to the Administrator/Actuary.
- OSC estimates that for one year period from January 1, 2024 to December 31, 2024, approximately 25 Sponsors requested GASB Statement No. 73-compliant reports and/or other non-covered services.
- If the current Administrator/Actuary is not awarded a contract as a result of this RFP, the current Administrator/Actuary may not continue to provide this service to volunteer ambulance LOSAP sponsors; however, they may continue to provide this service directly to a volunteer firefighter LOSAP sponsor subject to applicable New York State and municipal law and regulations, and standards and procedures of their political subdivisions.

Question #7:

Page 9, section 3.27 states that the actuarial assumptions and methodology must be disclosed.

- Does the State mandate the use of a certain method or certain assumptions?
- Can you provide the current funding method being used and actuarial assumptions?
- Would the State have to approve a change in the funding method or actuarial assumptions, or is the firm retained as actuary free to make those determinations?

Response:

- No.
- No.
- The selected proposer that will serve in the role of Actuary is responsible for making actuarial assumptions and selecting funding methods based on recognized actuarial industry standards and best practices. OSC does not establish the actuarial assumptions or the funding methods; however, OSC maintains and reserves the right to review the Actuary's actuarial assumptions and funding methods as requested throughout the duration of any awarded contract resulting from this RFP. Moreover, the selected proposer will need to provide commercially reasonable, advance written notice of planned changes in the actuarial assumptions and funding methods throughout the term of any resulting agreement, and may be requested to provide OSC representatives (which may include OSC staff and/or contractors) with a presentation regarding the selected actuarial assumptions or funding methodologies from time to time.

Question #8:

2 NYCRR 152.9(d) requires the Program Actuary to retain an OSC-approved “independent enrolled actuary” to review the actuarial methodology & assumptions.

- Based on the every-three-year requirement, it would appear that one should have been performed in 2024. When was the last time it was performed? Can that be provided?
- A similar requirement does not seem to exist in 2 NYCRR Part 155. Can you confirm that a similar review is not required on the fire department defined benefit plans?

Response:

- **The most recent independent actuarial review was completed in 2021. OSC declines to provide a copy of the corresponding report as it contains proprietary information.**
- **OSC confirms that there is no three-year actuarial review requirement for volunteer firefighter defined benefit plans.**

Question #9:

Page 10, Section 3.41 discusses the transition to a new Administrator and the delivery of all original records.

- Does this include electronic records that are not on paper?
- Can the current Administrator retain copies of paper and electronic records to assist with questions after the end of the contract?

Response:

- **Yes, a new Administrator may be required to provide electronically maintained records to a successor administrator, subject to protections and limitations for proprietary information or practices, confidentiality obligations and other requirements or limitations as a matter of applicable New York State law and/or regulation, and the terms of the parties' Agreement.**
- **Retention of copies of paper and electronic records are subject to, among other things, applicable New York State law and regulations, and the terms of the parties' Agreement, which requires that confidential records be returned or destroyed at the conclusion of the parties' Agreement.**

Question #10:

Section 5.14 C describes the encryption requirements, stating the proposer must use OSC-approved encryption software.

- Is this software only for communication with the OSC, or must it be used in all work performed under the contract?
- Can you provide the name or names of approved encryption software?
- If our firm's encryption software is not currently approved, is there a method whereby it could be submitted for approval?

Response:

- **Encryption must be used for all work performed by the selected Proposer under an awarded contract to the RFP, for any confidential data that is stored, accessed, transmitted, or at rest**

in connection with the services to be provisioned by the selected Proposer. The successor Program Administrator must use encryption on all electronic data file exchanges for all work performed under the Agreement. This requirement includes exchanges to and from OSC and/or an OSC designee, and to or from the successor Program Administrator and/or an OSC authorized designee (e.g., subcontractors).

- OSC does not require the use of specific software, as long as it provides the specified level of encryption as set forth in the RFP.
- Proposer may submit to OSC the name and specifications of its current encryption software for review by OSC's information security staff. If a non-disclosure agreement is required by the Proposer for the purpose of engaging in such discussions, upon execution of an OSC-approved NDA, the parties may engage in such discussions. If Proposer requires such an NDA, please notify OSC Finance at RFP@osc.ny.gov.

Question #11:

Are program assets pooled into one account, or is an account maintained for each plan?

- If the assets are pooled, does the Trustee provide a breakdown of the amount allocated to each LOSAP, as that work does not appear in the list of services beginning on page 7, section 3.0.
- Can you describe how the current Administrator is provided the monthly balances for each LOSAP?

Response:

- Yes, program assets are pooled under four accounts held with the Trustee, one defined benefit program account and one defined contribution program account for volunteer firefighter plans and volunteer ambulance plans. The Trustee provides statements for each account on a quarterly basis that reflects total account balance for each account.
- Presently, the Trustee provides monthly balances to the Administrator electronically.