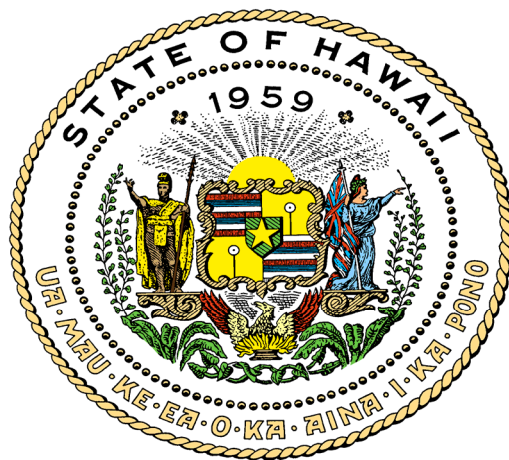


**ADDENDUM # 3,
RELEASE DATE 04/22/2021,
TO REQUEST FOR PROPOSALS
ERSP-105 FOR
ACTUARIAL SERVICES
FISCAL YEARS 2021-2026**



**Employees' Retirement System
of the State of Hawaii
201 Merchant Street, Suite 1400
Honolulu, Hawaii 96813**

This is Addendum # 3, Best and Final Offer, which is sent to select Priority Offerors' firms which are respondents to RFP # ERSP-105 specification. This addendum release date is April 22, 2021. BAFO responses are due from Priority Offeror Finalist via email by April 29, 2021 4:00 PM HST to: dbf.ers.procure@hawaii.gov with cc to: Steven.Melendrez@hawaii.gov and Wolfe, Larry <larry.wolfe@hawaii.gov>

Thomas Williams, Executive Director
Procurement Officer

ADDENDUM # 3
BEST AND FINAL OFFER
DESCRIPTION

Best and Final Offer (BAFO) is extended to Priority Offeror Finalist of RFP # ERSP-105

a. BAFO Authorization:

Per RFP ERSP-105, Specifications Section 1.9, Best and Final Offer:

If the State elects to pursue a Best and Final Offer from priority listed offerors, the Offeror company shall be notified by email to prepare and provide a Best and Final offer which is to be emailed to dbf.ers.procure@hawaii.gov, copied to Steven.Melendrez@hawaii.gov and Larry.Wolfe@hawaii.gov. and received by the State per the Procurement Timetable in Section 1.5. If an Offeror does not submit a Best and Final offer, their initial proposal shall be considered their Best and Final Offer

b. BAFO Request:

Your Actuary firm has been designated a Priority Offeror Finalist and is hereby extended the invitation to produce and provide a Best and Final Offer, (BAFO) Proposal to the Employees' Retirement System in regards to RFP # ERSP-105 for ACTUARIAL SERVICES, TERM 2021 – 2026. Please include with your BAFO proposal a cover letter which summarizes the revised/updated sections of your proposal.

Your firm's BAFO, updated proposal is to be emailed to dbf.ers.procure@hawaii.gov with copies to Steven.Melendrez@hawaii.gov and Larry.Wolfe@hawaii.gov and shall be received by ERS no later than April 29, 2021 at 4:00 pm HST in order to be eligible for award consideration.

The original hardcopy with original signatures of your emailed Priority Offeror Finalist BAFO proposal shall be shipped to Mr. Thomas Williams, Procurement Officer, Executive Director of Employees' Retirement System of the State of Hawai'i, attention Procurement, at City Financial Tower, 201 Merchant Street, Suite 1400 Honolulu, HI 96813. The shipped original hardcopy Priority Offeror Finalist BAFO Proposal is to be received by ERS no later than 4:00 PM HST on May 6, 2021.

If your firm does not provide a Best and Final Offer proposal in response to this addendum, your initial proposal will be considered your Best and Final Offer.

c. BAFO Specification:

Per State SPO Specifications, CPS, Section 4.4.5.1 Best And Final Offers, Your firm may revise any part of your initial proposal including the following:

- Clarify or amend your firm's initial proposal.
- Provide final cost proposals based on discussions,
- Provide clarifications to your firm's initial proposal.

And

- Your firm is requested to provide responses to the questions in Section d., below.
- Attachment D in this addendum supersedes the attachment D in the RFP and this form shall be filled out in its entirety and attached to your BAFO proposal.

d. BAFO Questions:

1. Please describe the firm's cyber security and data security policies, procedures, and measures to protect and secure the ERS's confidential membership records and personal information?

2. Please describe the firm's risk management assessment consulting, analysis and reporting capabilities as it relates to pension funds and explaining results to ERS's board, staff, employers and stakeholders.

3. Please describe the firm's compliance services provided to pension funds such as ERS.

4. Complete Attachment D, Fee Schedule, Addendum 3 (attached), for the BAFO, that includes an itemization of GASB 68 employer reporting fees by year. Identify other fees that may change by year.

Please identify any services that are included in your proposal (including this addendum) AND not included in the annual fees for ERS or that are subject to additional costs.

ATTACHMENT D
SUPERCEDED RFP FEE SCHEDULE

Priority Offeror Finalist shall annotate the following in its entirety and submit its fees detailed below according to the following and attach this completed fee schedule to the BAFO proposal.

Term:

July 1, 2021, through June 30, 2026.

Condition:

This fee quotation is all-inclusive of all labor, travel, material costs, taxes and fees, firm and fixed as quoted for the below noted contract period.

D.1. Fees for July 1, 2021 to June 30, 2026

Services July 1, 2021 to June 30, 2026

Year 1	\$ _____
Year 2	\$ _____
Year 3	\$ _____
Year 4	\$ _____
Year 5	\$ _____
A. Subtotal Services Year 1 to 5	\$ _____

Experience Studies

Experience Study - Investigation and Analysis for period ending June 30, 2021	\$ _____
Experience Study - Investigation and Analysis for period ending June 30, 2024.	\$ _____
B Subtotal – Two (2) Experience Studies	\$ _____
C GRAND Total Fees for (A) July 1, 2021 to June 30, 2026 plus (B) Two (2) Experience Studies (c = a + b)	\$ _____ =====

In scoring, fees are allocated on the Grand Total Fees in table above in accordance with section 4.2.1 Evaluation Criteria.

Other Services for July 1, 2021 to June 30, 2026:

Fees for GASB 68 employer reporting requirements (provide by year):

Year 1	\$ _____
Year 2	\$ _____
Year 3	\$ _____
Year 4	\$ _____
Year 5	\$ _____
Total GASB 68 employer reporting Year 1 to 5	\$ _____

Hourly rate for judicial proceedings. \$ _____
Identify costs included in hourly rate
and costs that would be billed in
addition to hourly rate. Specify by year if applicable.

Rate for each cost estimate request \$ _____
which exceeds 50 reports during the
term of the contract. Specify by year if applicable

D.2. Fees for Option Years July 1, 2026 to June 30, 2029

Services for Option Years

	<u>Option Year 1</u> - from July 1, 2026 to June 30, 2027	\$ _____
	<u>Option Year 2</u> - from July 1, 2027 to June 30, 2028	\$ _____
	<u>Option Year 3</u> - from July 1, 2028 to June 30, 2029	\$ _____
D.	Subtotal Services Option Year 1 to 3	\$ _____

Experience Studies

E.	Option Year 2 Experience Study - Investigation and Analysis for period ending June 30, 2027	\$ _____
F.	Total for (D) Services Option Years 1 to 3 plus (E) One (1) Experience Studies (f = d + e)	\$ _____ =====

Other Services for Option Years July 1, 2026 to June 30, 2029

Fees for GASB 68 employer reporting requirements (provide by year):

Option Year 1 -from July 1, 2026 to June 30, 2027 \$ _____

Option Year 2 - from July 1, 2027 to June 30, 2028 \$ _____

Option Year 3 - _from July 1, 2028 to June 30, 2029 \$ _____

Total GASB 68 employer reporting Option Year 1 to 3 \$ _____

Hourly rate for judicial proceedings. \$ _____
Identify costs included in hourly rate
and costs that would be billed in
addition to hourly rate. Specify by year if applicable.

Rate for each cost estimate request \$ _____
which exceeds 10 additional reports for
each Option Year during the
term of the contract. Specify by year if applicable.

Authorized Signature

Date

Title

Name of Firm