



Request for Proposal  
Independent Actuarial Analysis & Recommendations  
**Official Responses to Questions From Potential Respondents**  
June 16, 2023

1. If a firm conducted an actuarial audit of the Dallas Employees Retirement Fund (DERF) within the past 10 years, would the firm be considered independent of the City of Dallas and the DERF for purposes of Section 1.5.1 of this RFP?

**RESPONSE:** Under the terms of the Request for Proposal (RFP), assuming the firm contracted with the City of Dallas for the audit, the firm would not be considered independent.

2. If a proposing firm has conducted Investment Practices And Performance Reports (as outlined in Section 802.109 of the Texas Government Code) work for the DERF within the past 10 years, would the firm be considered independent of the City of Dallas and the DERF for purposes of Section 1.5.1 of this RFP?

**RESPONSE:** Under the terms of the RFP, assuming the firm contracted with DERF within the past 10 years, the firm would not be considered independent.

3. If a proposed consulting team staff member last worked on the DPFPP between 10 and 20 years ago at a different actuarial firm, would they be considered independent with respect to this scope of work under Section 1.5.1 of this RFP?

**RESPONSE:** A staff member who has worked on the DPFPP account between 10 and 20 years ago would not be considered independent. However, this previous work would not disqualify a firm if the staff member were screened from any work performed under this RFP.

4. If a proposed consulting team staff member signed one DERF valuation report in the past 20 years (specifically, in 2022) while at a different actuarial firm, would they be considered independent with respect to this scope of work under Section 1.5.1 of this RFP?

**RESPONSE:** A staff member who has worked on the DERF account in 2022 would not be considered independent. However, this previous work would not disqualify a firm if the staff member were screened off from any work performed under this RFP.

5. Section 2.025 of Article 6243a-1 of statute states the requirement for independent actuarial analysis and legislative recommendations. It does not specify the precise restrictions, including the 20-year time restriction, in RFP Section 1.5.1. Does the PRB or DPFPP have concern that the

Section 1.5.1 restrictions are overly broad and may limit the pool of experienced, high-quality firms eligible to respond to the RFP? If so, would the PRB or DPFP consider modification to those restrictions? One such modification could be to distinguish service as the valuation actuary for either plan, which would appear to be a clear conflict, and serving as the audit actuary for one or both of those plans.

**RESPONSE:** The terms of the RFP will not be changed at this time.

6. Would a firm be considered independent if, in the last 20 years, it contracted as an expert witness with a law firm representing either DPFP, the City of Dallas, or the DERF?

**RESPONSE:** Engagement of a firm as an expert by a law firm representing DPFP, the City of Dallas or DERF under the terms of the RFP does not prevent independence.

7. Should the pricing of any alternatives selected by the DPFP Board and Staff under section 2.4 be included in the flat fee or would those additional alternatives be considered out-of-scope? If they are included in the flat fee, can we propose a limit on the number of alternatives that are included in the fixed fee?

**RESPONSE:** The RFP sets out the anticipated work and requires a flat fee bid amount for this work. You may include a separate fee for additional work/alternatives, including the billing methodology for services not included in the flat fee bid. You should specify any restrictions or limits on your fixed fee bid. You should specify when estimates will be provided for any proposed work billed as time and expense.

8. Is the attendance and presentation at meetings under Section 2.7 to be included in the flat fee or are they considered out-of-scope? If they are included in the flat fee, how many meetings should we anticipate?

**RESPONSE:** It is anticipated that there may be up to five presentations to various bodies which are included in the flat fee. You may include the proposed cost for any additional presentations at meetings.

9. Will we be able to get the 1/1/2023 census data prior to the issuance of the final valuation report by Segal? If so, when?

**RESPONSE:** The 1/1/2023 census data is not available at this time, but it is anticipated to be provided to the selected respondent upon execution of a contract resulting from this RFP.

10. What is the budget is for this project?

**RESPONSE:** The RFP requests fee bids. There is no stated budget in the RFP.