



Homes and Community Renewal

ANDREW M. CUOMO
Governor

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Commissioner/CEO

NEW YORK STATE HOUSING FINANCE AGENCY STATE OF NEW YORK MORTGAGE AGENCY NEW YORK STATE AFFORDABLE HOUSING CORPORATION

Title: Actuarial Services related to Post-Employment Benefits in compliance with Governmental Accounting Standards Board Statement No. 75 (“GASB 75”) *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions* (“OPEB”)

Agency: New York State Housing Finance Agency, State of New York Mortgage Agency, New York State Affordable Housing Corporation

Division: Procurement Contracts

Contract Number: HFA-SONYMA-AHC-200417

Contract Term: Five Years plus One Year, with right to cancel upon 30 days prior written notice

Date of Issue: 04/17/2020

Due Date/Time: 05/08/2020, 12:00 PM, Eastern Daylight Time

County(ies): Manhattan

Location: New York City

Classification(s): Financial - *Consulting & Other Services*

Opportunity Type: Discretionary procurements between \$50,000 and \$200,000

Service-Disabled Veteran-Owned Set Aside: No

In accordance with Section 2879 of the Public Authorities Law and Article 15-A of the New York State Executive Law, this opportunity is a Discretionary Purchase (“Solicitation”) and is solely intended for NYS-certified minority and/or women -owned business enterprises (“MWBES”). The total estimated budget for these services shall not exceed \$200,000.

Description:

The New York State Housing Finance Agency (“HFA”), State of New York Mortgage Agency (“SONYMA”) and New York State Affordable Housing Corporation (“AHC”) (individually,

“Agency” and collectively, “Agencies”) are seeking proposals for the provision of actuarial services related to Post-Employment Benefits in compliance with Governmental Accounting Standards Board Statement No. 75 (“GASB 75”) *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions* (“OPEB”).

The Agencies are participating employers in the New York State Health Insurance Program (“NYSHIP”) which is administered by the State of New York (“NYS”) as a multiple employer agent defined benefit plan (“Plan”). Under the Plan, eligible retired employees receive health care benefits with employees paying 25% of dependent coverage costs and 10% of individual employee costs. The Agencies’ Plan complies with the NYSHIP benefit provisions. In addition, as provided for in Civil Service Law Section 167, the Agencies apply the value of accrued sick leave of employees who retire out of service to the retiree’s share of costs for health benefits.

A. MINIMUM QUALIFICATIONS:

Prospective proposers shall meet the following minimum qualifications:

1. Actuarial firm must be certified by the NYS Empire State Development Corporation as a Minority and/or Women-Owned Business Enterprise in accordance with Article 15-A of the New York State Executive Law; and
2. Actuarial firm must hold active membership as an Actuary with the American Academy of Actuaries.

B. SCOPE OF SERVICES:

The successful proposer will calculate on an accrual basis, costs over a period that approximate employee’s years of service and life. Over the five (5) year (plus one-year) term of the contract, the OPEB calculation is required to be performed on a biannual basis, beginning with the current fiscal year ending October 31, 2020. In addition to each biannual calculation, an update is required using the same data and discount rate for the following fiscal year, beginning with October 31, 2021. The successful proposer will provide information about the Agencies’ accrued liabilities associated with Post-Employment Benefits. Below is a listing of tasks to be performed:

1. Compilation of GASB 75 Data and Security of Confidential Data
 - a. Coordinating with the Agencies to identify and compile the Agencies’ information including (i) census data for both active employees and current retirees of the Agencies, (ii) Summary Plan Descriptions, (iii) benefits covered, (iv) cost history for each benefit plan, (v) claim experience for each benefit plan, (vi) year of hire for individual

employee, and (vii) contribution structure for each benefit plan.

- b. Safeguarding the Agencies' data in a secure and confidential manner.
- c. Notifying the Agencies immediately of any breach of successful proposer's Security Practices and providing a plan to the Agencies to remedy any such breaches.

2. Calculation of Costs Associated with GASB 75

- a. Setting actuarial assumptions (including a recommendation for the discount rate to be used) in order to determine the estimated claims costs of the Agencies' Post-Employment Benefits for active employees, current retirees, and future retirees. In doing so, the successful proposer will project the future population for those employees expected to receive Post-Employment Benefits and the future cash costs for these future Post-Employment Benefits as well as the present value of the future Post-Employment Benefits.
- b. Calculating the cost of Post-Employment Benefits over the working lifetime of the Agencies' employees, retirees, and future retirees, and identifying the amount of any unfunded liability (i.e., the net OPEB obligation) to the Agencies. The current breakdown of employees and retirees is as follows:

AGENCY	ACTIVE EMPLOYEES	RETIRED EMPLOYEES
HFA	25	79
SONYMA	161	65
AHC	88	-

The calculations need to take into account all elements of the Patient Protection and Affordable Care Act ("PPACA") that affect the OPEB liability.

3. Completion of GASB 75 Valuation

- a. Completing a GASB 75 before November 20th of each year in which the biannual calculation is performed, following receipt of all required data and documents. In its valuation, calculating the annual required contribution using actuarial cost methods permitted under GASB 75.
- b. Calculating age related per capita costs, discount rate and trend assumption disclosures which should include calculations for the Fiscal Years Ending October 31, 2020 and October 31, 2021.

- c. Providing the Agencies with the GASB 75 valuation results in a report, which report shall include current liabilities, net annual cost, and cash flow projections, as separated among active employees, current retirees, and future retirees.
- d. Meeting for one preliminary meeting/conference call with the Agencies to finalize the compilation of the data and one high level meeting/conference call at the end of the GASB 75 valuation to present the report and to discuss benefit design changes or funding/financing options that the Agencies might explore to ameliorate the effects of GASB 75.
- e. Adhering to the Code of Conduct and Standards of Practice promulgated by the Actuarial Standard Board of the American Academy of Actuaries, copies of which can be located at:

<http://www.actuarialstandardsboard.org/>.

4. Ongoing Compliance with GASB 75

- a. Identifying ongoing monitoring or compliance that may be required by GASB 75.

MWBEs interested in responding to this Solicitation must submit one (1) electronic copy of their proposal, via email, in searchable portable format (PDF) compatible with Adobe Reader XI. The Agencies will not accept discs, flash drives, or FTP references that require the Agencies to download information from the site of the MWBE or a third party. Proposals must be submitted by email to Nyhomes.proposal@nyshcr.org no later than 12:00 pm, Eastern Daylight Time, Monday, May 8, 2020, and include “2020 Actuarial Services” as the subject line of the email. Proposals received after this date/time will not be accepted. Proposals must include the following information in the same number order as described below:

Tab 1. Provide a cover letter with your MWBE’s name, address, telephone number, state of organization of your company along with the name, title, telephone number and email address of the individual within your organization who will be the Agencies’ primary contact concerning this proposal. The cover letter must be signed by an authorized signatory of the firm certifying that all the information in the cover letter and proposal is true and accurate. In addition, include:

- a. a brief overview of your firm and briefly describe any significant changes to the management and/or structure of the firm, including any mergers that occurred in the last three (3) years;

- b. identify the location(s) and telephone number(s) of your firm’s main office, and if applicable, your firm’s NYS office;
- c. provide an affirmation that your firm is licensed to do business in NYS;
- d. a statement confirming that your firm is a NYS certified MBE, WBE or MWBE and attach certification from NYS’ Economic Development Corporation as evidence;
- e. evidence of your membership as an Actuary with the American Academy of Actuaries; and
- f. a written certification confirming that the information contained in the proposal is true and accurate and that the person signing the cover letter is authorized to submit proposals on behalf of the firm.

Tab 2. Provide a description of your firm’s organization, team makeup and the resumes of partners, principals, associates, and other key staff proposed to provide services to the Agencies (including name(s), title(s), location(s), telephone number(s) and email address(es)) that would be assigned to work with the Agencies on GASB 75 matters, identifying the person that would be the primary contact person for the Agencies.

Tab 3. Provide a detailed description of your firm’s approach (technically and administratively) to performing the required scope of work that includes, but is not limited to:

- a. Denoting steps for safeguarding the Agencies’ data in a secure and confidential manner;
- b. Identifying information the Agencies will need to collect in order for your firm to complete the engagement; and
- c. Demonstrating your firm’s familiarity with GASB 75 and NYSHIP.

Tab 4. Provide a list of all related GASB 75 engagements entered into in the last two (2) years. The list should include the name(s) of the firm(s) and/or agency(ies) and references. Provide a list of your firm’s (or its principals’) memberships with professional organizations.

Tab 5. Provide a description of the firm’s capacity to perform the services described in this Solicitation.

Tab 6. Include any additional information that will be helpful to the Agencies’ decision-making process together with responding to the question, “Why should the Agencies select your firm?”

Tab 7. Provide a statement indicating there are no conflicts of interest between your firm or individuals in your firm and the Agencies and its Affiliates (i.e., State of New York Municipal Bond Bank Agency, Tobacco Settlement Financing Corporation, New York State Division of Housing and Community Renewal and Housing Trust Fund Corporation).

The Firm must disclose whether its entity, or any of its members discussed in the above paragraph, has been the subject of any investigation or disciplinary action by the New York State Commission on Public Integrity or its predecessor State entities (collectively, “Commission”), and if so, a brief description must be included indicating how any matter before the Commission was resolved or whether it remains unresolved.

Tab 8. Provide a proposed flat fee for the performance of the scope of services described in this Solicitation. The fee shall include all out-of-pocket costs and disbursements.

Tab 9. Provide a statement indicating that if selected for a contract, your firm will submit original insurance certificates (Professional Liability, Automobile, Workers Compensation and New York State Disability) and any other coverage as required. Failure to supply original certificates with coverages and limits as per the contract will result in HFA’s inability to execute a contract.

Tab 10. Firms are subject to the requirements described in the [Agencies’ Standard Clauses and Requirements for Solicitations](#), hyperlinked herein as Exhibit A. Such requirements include, but are not limited to, submission of the following information and forms of the Agency, hyperlinked herein: (a) [Lobbying Procurement Law FORM 1](#) and [Lobbying Procurement Law FORM 2](#); (b) [Non-Collusive Bidding Certification FORM](#); (c) [Vendor Information FORM](#); (d) [Vendor Responsibility Questionnaire for For-Profit Organizations](#) or [Vendor Responsibility Questionnaire – Not For Profit Organizations](#) and (e) [EEO Staffing Plan Form, PROC-1](#).

Tab. 11 All proposers, domestic and foreign, must be in compliance with New York State business registration requirements. Contact the NYS Department of State regarding compliance. Proposals must be submitted in the full legal name of the proposer, or the full legal name plus a registered assumed name of the proposer, if any.

B. Questions and Answers

Any questions or requests for clarification regarding this Solicitation must be submitted via email to Lisa.Pagnozzi@nyshcr.org, no later than the date identified in the “*Calendar of Events and Milestones*” section of this Solicitation. The “Subject” line of the email should indicate “2020 Actuarial Questions.”

Questions will not be accepted orally and any question received after the deadline may not be answered. The list of questions/requests for clarifications and the Agencies' responses will be posted in a timely manner on [HCR's "Procurement Opportunities" webpage](#).

MWBEs should note that all clarifications and exceptions are to be resolved prior to submission of the proposal.

An electronic version of this Solicitation will be posted on [HCR's website](#) in addition to any subsequent changes, additions or deletions to the Solicitation, including the timelines and target dates. **The Agencies will not be responsible to notify prospective MWBEs of any changes to the Solicitation. MWBEs are encouraged to check [HCR's website frequently for notices of any clarifications, changes, additions, or deletions to this Solicitation](#).**

C. Lobbying Law

IMPORTANT NOTICE: A Restricted Period under the Lobbying Procurement Law is currently in effect for this procurement process and will remain in effect until approval of the Contract(s). Vendors are prohibited from Contacts related to this procurement process with any employee of the Agencies, or its Affiliates, other than the Designated Contact Officer listed below.

If you have inquiries regarding this Solicitation or would like to contact the Agencies regarding issues not relating to Lobbying Procurement Law Contacts, please forward inquiries via electronic email to Lisa G. Pagnozzi at Lisa.Pagnozzi@nyshcr.org. The "Subject" line of the email should indicate "2020 Actuarial Questions."

Contact Information

Primary contact:

New York State Housing Finance Agency
State of New York Mortgage Agency
New York State Affordable Housing Corporation
Lisa G. Pagnozzi, Vice President, Contracts and Administration
641 Lexington Avenue, 5th Floor
New York, NY 10022
Lisa.Pagnozzi@nyshcr.org

Submit to Proposal to:

New York State Housing Finance Agency
State of New York Mortgage Agency
New York State Affordable Housing Corporation

Lisa G. Pagnozzi, Vice President, Contracts and Administration
641 Lexington Avenue, 5th Floor
New York, NY 10022
Lisa.Pagnozzi@nyshcr.org

Procurement Lobbying Law Contact:

New York State Housing Finance Agency
State of New York Mortgage Agency
New York State Affordable Housing Corporation
Alejandro J. Valella, Vice President, Deputy Counsel
641 Lexington Avenue, 5th Floor
New York, NY 10022
Alex.Valella@nyshcr.org

D. Calendar of Events and Milestones

Event	Date
Issuance of Solicitation	April 17, 2020
Deadline for Questions	April 30, 2020, 12PM, Eastern Daylight Time (“EDT”)
Deadline for Responses to Questions	May 4, 2020
Deadline for Submission of Proposals	May 8, 2020, 12PM, EDT
Interview (if necessary)	To Be Determined
Anticipated Selection Date*	To Be Determined