

**(ATTACHMENT 1) ACTION ON REQUEST TO WAIVE ADMINISTRATIVE POLICY 3.09(9)(e) AND ENTER INTO A CONTRACT WITH GABRIEL ROEDER SMITH & COMPANY FOR PENSION ACTUARIAL SERVICES**

**RFP 1001 Authorization to Waive Administrative Policy 3.09(9)(e) and Enter Into a Contract with Gabriel Roeder Smith & Company for Pension Actuarial Services Related to the District's Two Supplemental Pension Plans**

The Administration is requesting authorization to enter into a contract with Gabriel Roeder Smith & Company for actuarial consulting services for the district's two supplemental pension plans (the Milwaukee Board of School Directors' Supplemental Early Retirement Plan for Teachers and the Milwaukee Board of School Directors' Early Retirement Supplement and Benefit Improvement Plan).

The actuarial consulting services to be provided include the annual actuarial valuations, semi-annual forecasts of pension contributions and funding status, and related consulting services on an as-needed basis for each pension plan. Government Accounting Standards Board (GASB) Statement No. 67/68 requires governmental entities to disclose the financial reporting for Pension Plans administered through trusts.

Gabriel Roeder Smith & Company was the highest-ranked vendor pursuant to RFP 1001, which closed January 4, 2019.

The Administration notes that Administrative Policy 3.09 requires that professional services contracts be for a maximum of one year, unless the Board approves a longer term. The Administration requests approval of a three-year contract, March 1, 2019 through February 28, 2022, with two one-year options to extend if certain performance metrics are attained. Costs are held firm for the initial three-year contract and will not exceed 2.5% yearly increases in years four and five.

The total cost of the contract by fiscal year is as follow:

FY20.....\$68,200  
FY21.....\$69,750  
FY22.....\$71,340

The total cost of the contract for three years will be \$209,290.

These services are charged directly to the pension trust and will not be processed through IFAS.

**Budget Codes:**

DWC-0-0-EMB-DW-EERA.... (Early Retirement Supplemental ASC)  
DWC-0-0-EMB-DW-EERT...(Early Retirement Supplemental Teachers)..\$209,290.00

**Gabriel Roeder Smith & Company**

**HUB PARTICIPATION**

Required .....0%  
Proposed .....NA  
\$ Value .....NA

**STUDENT ENGAGEMENT**

Paid Student Employment Hour Commitment:100 HOURS/12-mo contract  
Student Career Awareness Commitment: 10 HOURS/12-mo contract

**Authorization to Waive Administrative Policy 3.09(9)(e) and Enter Into a Contract with Gabriel Roeder Smith & Company for Pension Actuarial Services Related to Other Post-Employment Benefits (OPEB) Liability**

The Administration is requesting authorization to enter into a contract with Gabriel Roeder Smith & Company for actuarial consulting services associated with projecting the district’s Other Post-Employment Benefits (OPEB) liability. Government Accounting Standards Board (GASB) Statement No. 74/75 requires governmental entities to quantify and report their OPEB liabilities for health and life insurance benefits.

Gabriel Roeder Smith & Company was the highest-ranked vendor pursuant to RFP 1001, which closed January 4, 2019.

The Administration notes that Administrative Policy 3.09 requires that professional services contracts be for a maximum of one year, unless the Board approves a longer term. The Administration requests approval of a three-year contact, March 1, 2019 through February 28, 2022, with two one-year options to extend if certain performance metrics are obtained.

The total cost of the contract by fiscal year is as follow:

FY20.....\$17,075  
FY21.....\$39,325  
FY22.....\$17,475

The total cost of the contract for three years will be \$73,875.

**Budget Code:**

OBA-0-0-EMB-DW-ECTS..... (Contract Services Other Business) ..... \$73,875.00

**Gabriel Roeder Smith & Company**

**HUB PARTICIPATION**

Required .....0%

Proposed .....NA

\$ Value .....NA

**STUDENT ENGAGEMENT**

Paid Student Employment Hour Commitment:100 HOURS/12-mo contract

Student Career Awareness Commitment: 10 HOURS/12-mo contract