

Actuarial Audit Questions

1. What were the fees paid for the last actuarial audit of KCPSRS?
 - a. In 2005, Gabriel, Roeder, Smith & Company (GRS) performed an actuarial audit of the 01.01.2004 Valuation for \$37,000.
2. Was the scope of the last audit substantially the same as this current audit?
 - a. The last actuarial audit of KCPSRS valuation report included a review of:
 - i. The census data used for the valuation.
 - ii. Benefit certifications for a sample of retired members
 - iii. The results of the most recent experience study.
 - iv. The appropriateness and consistency of the methods and assumptions used in the valuation.
 - v. The actuarial techniques used to project benefits and develop actuarial liabilities for a sample of plan participants.
 - vi. The compared liabilities produced by auditing actuary versus retained actuary's valuation model.
 - vii. The content of the most recent valuation report.

Note that the last actuarial review was completed in 2004. KCPSRS current retained actuary started January 2014.

3. Are there any specific areas of the audit that KCPSRS would like the vendor to address?
 - a. No specific areas to address.
4. Will the retained actuary provide "valuation ready" census data to the auditing firm, in addition to those data files provided by KCPSRS?
 - a. Yes, the retained actuary will provide "valuation ready" census data in addition to those data files provided by KCPSRS.
5. Please confirm if there should be a question # 11 under "General Proposal Content Requirements" in the Request for Proposal.
 - a. Total number of questions under "General Proposal Content Requirements" is ten. Numbering should have picked back up with #11 under "Methodology" and continued through #19 under "Glossary" in the RFP.

6. Under the Scope of Work, a full replication audit of the January 1, 2022 Actuarial Valuation is requested. Does this actuarial audit include the GASB 67/68 report(s)?
 - a. No, GASB 67 and 68 Reports are out of scope of this audit.
7. When was the last actuarial audit performed? If a prior independent actuarial audit has been performed, may we receive a copy of that actuarial audit report?
 - a. See answer and note to question #2 above.
8. Does KCPSRS have an estimated budget for this project?
 - a. No estimated budget for this project.
9. Item 6 under the Scope of Work section requests a discussion of the reasonableness and appropriateness of the actuarial assumptions. Will the auditing firm be provided with the most recent Actuarial Experience Study report?
 - a. Yes, Respondents will be provided the most recent Actuarial Experience Study Report; however, the retained actuary is not required to provide any of the detailed computations behind the recommendations.
10. Will the retained actuary provide a copy of the processed (scrubbed) data used to perform the Actuarial Valuation?
 - a. Yes – same question as #4.
11. Will the retained actuary be able to provide detailed test life information in the event that there are differences identified during the replication process?
 - a. No, the retained actuary will only be required to provide present value of future benefits, actuarial liability, and normal cost on test lives. If there are differences, the retained actuary will work with the auditing actuary to try to resolve those differences.
12. When was the last actuarial audit performed and what were the fees paid for the audit?
 - a. See answers to question #1 and #2 above.
13. Is there a budget set for this audit?
 - a. No – see answer to question #8 above.
14. Is a replication of GASB 67 and 68 reports required as part of the audit?
 - a. No – see answer to question #6 above.
15. Will sample life calculations be provided to the auditing actuary upon request?
 - a. No – see answer to question #11 above.