



**KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM**

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# REQUEST FOR PROPOSAL (RFP) TO PROVIDE

Auditing Services for a Separate Compliance Audit of  
Kansas City Public School Retirement System (KCPSRS)

Re-Opened:  
August 17, 2023

# PROJECT DESCRIPTION AND SCOPE OF WORK

The bidder must provide the following information in response to this Request for Proposal.

## PROJECT OVERVIEW

The Public School Retirement System of the School District of Kansas City, Missouri (commonly known as the “Kansas City Public School Retirement System” or “KCPSRS”) is seeking a qualified Firm to conduct auditing services for a separate compliance audit of the retirement system, which shall include but not be limited to, an examination of records, files, and other documents and an evaluation of all policies and procedures to determine compliance with all state and federal laws. A written report of the compliance audit shall be given to the Board of Trustees, Executive Director, and general counsel.

## PROJECT ENVIRONMENT

KCPSRS is defined benefit governmental plan as defined in Internal Revenue Code (IRC) § 414(d).

KCPSRS currently serves approximately 11,375 active, inactive, and retired members, with approximately \$626M of assets under management as of December 31, 2022. The defined benefit plan is codified in RSMo §§ 169.270 to 169.400. KCPSRS members are employed by the Kansas City Missouri Public School District, The Kansas City Library District, Charter schools established within the Kansas City Missouri School District, and KCPSRS.

In 1972, KCPSRS obtained a favorable IRS determination letter for the Plan; however, it did not participate in subsequent remedial amendment cycle submissions.

## MANDATORY BUSINESS AND PROJECT REQUIREMENTS MATRIX

Respondents to the proposal solicitation must meet all of the following mandatory qualifications. If any of these mandatory requirements are left blank or not filled in with a “Yes,” the bidder’s proposal response will not move forward in the evaluation process.

<b>Mandatory Business and System Requirements Matrix</b>		
<b>Item #</b>	<b>Mandatory Requirement</b>	<b>Mark “Yes” if Solution Meets Mandatory Requirement</b>
RQ 1.	As of December 31, 2022, the Firm must have performed at least three (3) public pension compliance audits.	
RQ 2.	The Firm must have at least five (5) years’ experience with public pension funds.	

RQ 3.	The Firm's lead consultant on the account must have at least ten (10) years' experience in public pension funds.	
RQ 4.	Professional staff assigned to the account must have a minimum of five (5) years' experience working with public pension funds.	

## BUSINESS REQUIREMENTS

Please provide written answers (in a numbered format) to the following:

The full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business, whether the name and form of organization has changed since first organized, and Federal Employer Identification Number;

A general description of the law firm or legal practice, including years of existence, size, number of attorneys (broken down by partner, associate, of counsel, etc.), number of non-attorney professionals and other employees, primary area of practice of the Firm, other descriptive material about the Firm, and e-mail addresses for attorneys and non-attorney professionals who will be providing services under the contract;

Identification of the attorney who will provide the primary work under the contract, and each attorney or non-attorney professional who will provide work under the contract, broken down by percentage of the total contract to be spent by the individual on work under the contract;

Information regarding the professional and experience qualifications of each attorney who will perform work under the contract together with their hourly rate. This must include:

A Curriculum Vitae or resume for each attorney, and the number of years each attorney has represented or worked for public employee retirement plans;

Describe the experience of the Firm in conducting compliance audits for public pension funds and include a list of three (3) client references for which you completed compliance audits in the last three (3) years (Please include at a minimum the following: contact names, the name of the client entity, and current address and telephone numbers for each reference.);

Indicate how your Firm approaches and manages communication with client staff, members of the boards of retirement systems for which you have provided compliance auditing services in the past, and other public officials;

Include a description of the ownership structure and its ratio of minorities and women; and

Provide three references from public employee retirement plans represented by the Firm with 10,000 or more participants.

## SCOPE OF WORK

Under the direction of the KCPSRS Executive Director, and in coordination with its outside general counsel, the Firm will provide the following services:

### FEDERAL COMPLIANCE

Conduct a complete and comprehensive review of the governing laws, plan documents, and administrative policy and procedures for retirement system under applicable provisions of federal law. This review shall determine compliance with all applicable federal law including all qualification issues affecting a governmental plan under the Internal Revenue Code, and will include, but is not limited to, the following federal compliance areas considered necessary or appropriate to maintain its tax-qualified status:

- Internal Revenue Code (IRC) §§ 401, 414, and 415 and their implementing regulations, policies, practices, and other publications and guidance;
- The exclusive benefit rule;
- Termination of employment (a.k.a. bona fide separation of service), and return to work, rules under the IRC;
- Rollover provisions;
- Compliance with the definitely determinable rule;
- Vesting and normal retirement age;
- Age discrimination rules; and
- Veterans reemployment rights under pre-and post-USERRA amendments.

### STATE COMPLIANCE

Conduct a complete and comprehensive review of the State laws governing the retirement system to determine compliance. This review shall advise compliance of plan documents, including state laws, rules, administrative policies, and procedures of the retirement system and will include, but is not limited to, the following Missouri Revised Statutes (RSMo.) and accompanying regulations:

- |  |                            |
|--|----------------------------|
| • School Retirement Laws —                 | RSMo. §§ 169.563 – 169.595 |
| • Public Officers and Employees —          | RSMo. §§ 105.452 – 105.702 |
| • Library District —                       | RSMo §182.709              |
| • Charter School —                         | RSMo §160.420              |
| • Missouri Open Meetings and Records Law — | RSMo §§610.010- 610.030    |

### COMPLIANCE RECOMMENDATIONS

Provide specific, written recommendations on amendments to statutes, policies, and procedures to ensure the retirement plan is in full compliance with the Internal Revenue Code qualification criteria, federal, state, and constitutional law.

## **DELIVERABLES**

- (1) An electronic copy of the draft report (identified clearly as a draft), subsequent final written report, and an electronic copy of the final report, documenting all findings, conclusions and recommendations resulting from the compliance review; and
- (2) An in-person (or virtual) presentation of the final report to the Board of Trustees must be submitted to KCPSRS and Swanson Bernard, LLC upon dates mutually acceptable to both parties to be determined prior to execution of any formal engagement letter.

## **MISSOURI SUNSHINE LAW**

The proposal your Firm submits in response to this RFP will become the exclusive property of KCPSRS. It will not be returned to you, and it will be subject to public disclosure pursuant to the Missouri State Open Meetings and Records Law – Mo. Rev. Stat. Secs. 610.010 to 610.030., (the "Law"). The Law provides generally that all records relating to a public agency's business are open to public inspection and copying, unless specifically exempted under one of several exemptions set forth in the Law.

If you believe that any portion of your proposal is exempt from public disclosure under the Law, such portion must be marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY." KCPSRS will deny public disclosure of any portions so designated, provided that such designation is, in KCPSRS' reasonable discretion, in accordance with applicable law. Proposals marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY" in their entirety will not be honored, and KCPSRS will not deny public disclosure of all or any portion of proposals so marked. By submitting a proposal with specifically selected portions marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY" you represent you have a good faith belief that such material is exempt from disclosure under the Law and understand KCPSRS is not bound by such good faith belief and agree KCPSRS shall not be liable for public disclosure of any such designated portions of your proposal if KCPSRS reasonably determines disclosure is deemed required by law, or if disclosure is ordered by a court of competent jurisdiction.

In addition to the foregoing, KCPSRS Board and Committee meetings are subject to Missouri open-meeting requirements set forth in the Law. Your proposal and/or contract (if your Firm is selected) may be presented or discussed at a public meeting of the KCPSRS Board (or at a Board committee meeting). Among other things, which means that, regardless of whether you mark portions of your proposal as "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY," that information may be discussed or presented at a meeting that is open to the public under the Law.

## **RESPONDING TO THIS REQUEST FOR PROPOSAL**

Firms interested in responding to this request should send their proposal to Jim Roehner, Executive Director via email, fax, or U.S. Postal Service.

Email: [jim.roehner@kcpsrs.org](mailto:jim.roehner@kcpsrs.org)

FAX: 816-472-5909

U.S. post: KCPSRS

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