

SERIAL 14016 RFP ACTUARIAL SERVICES CONSULTANT/PROVIDER

DATE OF LAST REVISION: June 12, 2014

CONTRACT END DATE: June 30, 2017

CONTRACT PERIOD THROUGH JUNE 30, 2017

TO: All Departments

FROM: Office of Procurement Services

SUBJECT: Contract for **ACTUARIAL SERVICES CONSULTANT/PROVIDER**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **June 12, 2014**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Chief Procurement Officer
Office of Procurement Services

AS/ub
Attach

Copy to: Office of Procurement Services
Samantha Wright, Risk Management

(Please remove Serial 07090-S from your contract notebooks)



CONTRACT PURSUANT TO RFP

SERIAL 14016-RFP

This Contract is entered into this 12th day of June, 2014 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Aon Global Risk Consulting, a California corporation ("Contractor") for the purchase of Actuarial Services Consultant/Provider.

1.0 CONTRACT TERM:

- 1.1 This Contract is for a term of three (3) years, beginning on the 12th day of June, 2014 and ending the 30th day of June, 2017.
- 1.2 The County may, at its option and with the agreement of the Contractor, renew the term of this Contract for additional terms up to a maximum of three (3) years, (or at the County's sole discretion, extend the contract on a month-to-month basis for a maximum of six (6) months after expiration). The County shall notify the Contractor in writing of its intent to extend the Contract term at least thirty (30) calendar days prior to the expiration of the original contract term, or any additional term thereafter.

2.0 FEE ADJUSTMENTS:

Any request for fee adjustments must be submitted sixty (60) days prior to the current Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price term, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the Consumer Price Index or by performing a market survey.

3.0 PAYMENTS:

- 3.1 As consideration for performance of the duties described herein, County shall pay Contractor the sum(s) stated in Exhibit "A."
- 3.2 Payment shall be made upon the County's receipt of a properly completed invoice.
- 3.3 INVOICES:

3.3.1 The Contractor shall submit one (1) legible copy of their detailed invoice before payment(s) can be made. At a minimum, the invoice must provide the following information:

- Company name, address and contact
- County bill-to name and contact information
- Contract serial number
- County purchase order number
- Invoice number and date
- Payment terms
- Date of service or delivery
- Quantity

- Contract Item number(s)
- Description of service provided
- Pricing per unit of service
- Extended price
- Total Amount Due

- 3.3.2 Problems regarding billing or invoicing shall be directed to the County as listed on the Purchase Order. Invoicing that does not have all the required information as listed above, will be sent back for corrections, delaying payment to the Contractor.
- 3.3.3 Payment shall be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Vendor Registration Form located on the County Department of Finance Vendor Registration Web Site (<http://www.maricopa.gov/Finance/Vendors.aspx>).
- 3.3.4 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

4.0 AVAILABILITY OF FUNDS:

- 4.1 The provisions of this Contract relating to payment for services shall become effective when funds assigned for the purpose of compensating the Contractor as herein provided are actually available to County for disbursement. The County shall be the sole judge and authority in determining the availability of funds under this Contract. County shall keep the Contractor fully informed as to the availability of funds.
- 4.2 If any action is taken by any state agency, Federal department or any other agency or instrumentality to suspend, decrease, or terminates its fiscal obligations under, or in connection with, this Contract, County may amend, suspend, decrease, or terminate its obligations under, or in connection with, this Contract. In the event of termination, County shall be liable for payment only for services rendered prior to the effective date of the termination, provided that such services are performed in accordance with the provisions of this Contract. County shall give written notice of the effective date of any suspension, amendment, or termination under this Section, at least ten (10) days in advance.

5.0 DUTIES:

- 5.1 The Contractor shall perform all duties stated in Exhibit "B", or as otherwise directed in writing by the Procurement Officer.
- 5.2 During the Contract term, County shall provide Contractor's personnel with adequate workspace for consultants and such other related facilities as may be required by Contractor to carry out its contractual obligations.

6.0 TERMS and CONDITIONS:

6.1 INDEMNIFICATION:

- 6.1.1 To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions, mistakes or malfeasance relating to the performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with

any claim, damage, loss or expense that is caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract by the Contractor, as well as any person or entity for whose acts, errors, omissions, mistakes or malfeasance Contractor may be legally liable.

6.1.2 The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

6.1.3 The scope of this indemnification does not extend to the sole negligence of County.

6.2 **INSURANCE:**

6.2.1 Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

6.2.2 All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

6.2.3 Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

6.2.4 Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

6.2.5 The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by an irrevocable and unconditional letter of credit.

6.2.6 County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance certificates. County shall not be obligated to review policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

6.2.7 The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

6.2.8 The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

6.2.9 **Commercial General Liability:**

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$2,000,000 for each occurrence, \$2,000,000

Products/Completed Operations Aggregate, and \$4,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

6.2.10 Automobile Liability:

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$2,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

6.2.11 Workers' Compensation:

6.2.11.1 Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.

6.2.11.2 Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

6.2.12 Errors and Omissions Insurance:

Errors and Omissions insurance and, if necessary, Commercial Umbrella insurance, which will insure and provide coverage for errors or omissions of the Contractor, with limits of no less than \$1,000,000 for each claim.

6.2.13 Certificates of Insurance.

6.2.13.1 Prior to commencing work or services under this Contract, Contractor shall furnish the County with valid and complete certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

6.2.13.2 In the event any insurance policy (ies) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

6.2.13.3 If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

6.2.14 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

6.3 WARRANTY OF SERVICES:

- 6.3.1 The Contractor warrants that all services provided hereunder will conform to the requirements of the Contract, including all descriptions, specifications and attachments made a part of this Contract. County's acceptance of services or goods provided by the Contractor shall not relieve the Contractor from its obligations under this warranty.
- 6.3.2 In addition to its other remedies, County may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished hereunder.

6.4 INSPECTION OF SERVICES:

- 6.4.1 The Contractor shall provide and maintain an inspection system acceptable to County covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to County during contract performance and for as long afterwards as the Contract requires.
- 6.4.2 County has the right to inspect and test all services called for by the Contract, to the extent practicable at all times and places during the term of the Contract. County shall perform inspections and tests in a manner that will not unduly delay the work.
- 6.4.3 If any of the services do not conform with Contract requirements, County may require the Contractor to perform the services again in conformity with Contract requirements, at no increase in Contract amount. When the defects in services cannot be corrected by re-performance, County may:
 - 6.4.3.1 Require the Contractor to take necessary action to ensure that future performance conforms to Contract requirements; and
 - 6.4.3.2 Reduce the Contract price to reflect the reduced value of the services performed.
- 6.4.4 If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with Contract requirements, County may:
 - 6.4.4.1 By Contract or otherwise, perform the services and charge to the Contractor any cost incurred by County that is directly related to the performance of such service; or
 - 6.4.4.2 Terminate the Contract for default.

6.5 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Office of Procurement Services
ATTN: Contract Administration
320 West Lincoln Street
Phoenix, Arizona 85003-2494

For Contractor:
Aon Global Risk Consulting
ATTN: Mujtaba Datto
100 Bayview Circle, Suite 100
Newport Beach, CA 92660

6.6 REQUIREMENTS CONTRACT:

6.6.1 Contractor signifies its understanding and agreement by signing this document that this Contract is a requirements contract. This Contract does not guarantee any purchases will be made (minimum or maximum). Orders will only be placed when County identifies a need and issues a purchase order or a written notice to proceed.

6.6.2 County reserves the right to cancel purchase orders or notice to proceed within a reasonable period of time after issuance. Should a purchase order or notice to proceed be canceled, the County agrees to reimburse the Contractor for actual and documented costs incurred by the Contractor. The County will not reimburse the Contractor for any avoidable costs incurred after receipt of cancellation, or for lost profits, or shipment of product or performance of services prior to issuance of a purchase order or notice to proceed.

6.6.3 Purchase orders will be cancelled in writing.

6.7 TERMINATION FOR CONVENIENCE:

The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the County without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the County. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.

6.8 TERMINATION FOR DEFAULT:

6.8.1 In addition to the rights reserved in the Contract, the County may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

6.8.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County on demand.

6.8.3 The County may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the County for any excess costs incurred by the County in procuring materials or services in substitution for those due from the Contractor.

6.8.4 The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

6.9 TERMINATION BY THE COUNTY:

If the Contractor should be adjudged bankrupt or should make a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of its insolvency, the County may

terminate the Contract. If the Contractor should persistently or repeatedly refuse or should fail, except in cases for which extension of time is provided, to provide enough properly skilled workers or proper materials, or persistently disregard laws and ordinances, or not proceed with work or otherwise be guilty of a substantial violation of any provision of this Contract, then the County may terminate the Contract. Prior to termination of the Contract, the County shall give the Contractor fifteen- (15) calendar day's written notice. Upon receipt of such termination notice, the Contractor shall be allowed fifteen (15) calendar days to cure such deficiencies.

6.10 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. §38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S §38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

6.11 OFFSET FOR DAMAGES;

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

6.12 ADDITIONS/DELETIONS OF SERVICE:

6.12.1 The County reserves the right to add and/or delete materials to a Contract. If a service requirement is deleted, payment to the Contractor will be reduced proportionately, to the amount of service reduced in accordance with the bid price. If additional materials are required from a Contract, prices for such additions will be negotiated between the Contractor and the County.

6.13 RELATIONSHIPS:

In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, partnership, principal and agent, or joint venture between the District and the Contractor.

6.14 SUBCONTRACTING:

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County, which shall not be unreasonably withheld. All correspondence authorizing subcontracting must reference the Proposal Serial Number and identify the job project.

6.15 AMENDMENTS:

All amendments to this Contract shall be in writing and approved/signed by both parties. Maricopa County Office of Procurement Services shall be responsible for approving all amendments for Maricopa County.

6.16 ACCESS TO AND RETENTION OF RECORDS FOR THE PURPOSE OF AUDIT AND/OR OTHER REVIEW:

6.16.1 In accordance with section MCI 371 of the Maricopa County Procurement Code the Contractor agrees to retain all books, records, accounts, statements, reports, files, and

other records and back-up documentation relevant to this Contract for six (6) years after final payment or until after the resolution of any audit questions which could be more than six (6) years, whichever is latest. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine copy and make use of, any and all said materials.

6.16.2 If the Contractor's books, records, accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

6.16.3 If at any time it is determined by the County that a cost for which payment has been made is a disallowed cost, the County shall notify the Contractor in writing of the disallowance. The course of action to address the disallowance shall be at sole discretion of the County, and may include either an adjustment to future claim submitted by the Contractor by the amount of the disallowance, or to require reimbursement forthwith of the disallowed amount by the Contractor by issuing a check payable to Maricopa County.

6.17 **AUDIT DISALLOWANCES:**

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

6.18 **SEVERABILITY:**

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

6.19 **RIGHTS IN DATA:**

The County shall own have the use of all data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

6.20 **INTEGRATION:**

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

6.21 **VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §41-4401 AND FEDERAL IMMIGRATION LAWS AND REGULATIONS:**

6.21.1 By entering into the Contract, the Contractor warrants compliance with the Immigration and Nationality Act (INA using e-verify) and all other federal immigration laws and regulations related to the immigration status of its employees and A.R.S. §23-214(A). The contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the Immigration Reform and Control Act of 1986, as amended from time to time, for all employees performing work under the Contract and verify employee compliance using the E-verify system and shall keep a record of the verification for the duration of the employee's employment or at least three years, whichever is longer. I-9 forms are available for download at USCIS.GOV.

6.21.2 The County retains the legal right to inspect contractor and subcontractor employee documents performing work under this Contract to verify compliance with paragraph 6.22.1 of this Section. Contractor and subcontractor shall be given reasonable notice of the County's intent to inspect and shall make the documents available at the time and date specified. Should the County suspect or find that the Contractor or any of its subcontractors are not in compliance, the County will consider this a material breach of the contract and may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

6.22 **CONTRACTOR LICENSE REQUIREMENT:**

6.22.1 The Respondent shall procure all permits, insurance, licenses and pay the charges and fees necessary and incidental to the lawful conduct of his/her business, and as necessary complete any required certification requirements, required by any and all governmental or non-governmental entities as mandated to maintain compliance with and in good standing for all permits and/or licenses. The Respondent shall keep fully informed of existing and future trade or industry requirements, Federal, State and Local laws, ordinances, and regulations which in any manner affect the fulfillment of a Contract and shall comply with the same. Contractor shall immediately notify both Office of Procurement Services and the using agency of any and all changes concerning permits, insurance or licenses.

6.22.2 Respondents furnishing finished products, materials or articles of merchandise that will require installation or attachment as part of the Contract, shall possess any licenses required. A Respondent is not relieved of its obligation to possess the required licenses by subcontracting of the labor portion of the Contract. Respondents are advised to contact the Arizona Registrar of Contractors, Chief of Licensing, at (602) 542-1525 to ascertain licensing requirements for a particular contract. Respondents shall identify which license(s), if any, the Registrar of Contractors requires for performance of the Contract.

6.23 **CERTIFICATION REGARDING DEBARMENT AND SUSPENSION**

6.23.1 The undersigned (authorized official signing for the Contractor) certifies to the best of his or her knowledge and belief, that the Contractor, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

6.28.1.1 are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;

6.28.1.2 have not within 3-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

6.28.1.3 are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

6.28.1.4 have not within a 3-year period preceding this Contract had one or more public transaction (Federal, State or local) terminated for cause of default.

6.23.2 Should the Contractor not be able to provide this certification, an explanation as to why should be attached to the Contact.

6.23.3 The Contractor agrees to include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.

6.24 **PRICES:**

Contractor warrants that prices extended to County under this Contract are no higher than those paid by any other customer for these or similar services.

6.25 **GOVERNING LAW:**

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

6.26 **ORDER OF PRECEDENCE:**

In the event of a conflict in the provisions of this Contract and Contractor's license agreement, if applicable, the terms of this Contract shall prevail.

6.27 **INFLUENCE**

As prescribed in MC1-1202 of the Maricopa County Procurement Code, any effort to influence an employee or agent to breach the Maricopa County Ethical Code of Conduct or any ethical conduct, may be grounds for Disbarment or Suspension under MC1-902.

An attempt to influence includes, but is not limited to:

6.27.1 A Person offering or providing a gratuity, gift, tip, present, donation, money, entertainment or educational passes or tickets, or any type valuable contribution or subsidy,

6.27.2 That is offered or given with the intent to influence a decision, obtain a contract, garner favorable treatment, or gain favorable consideration of any kind.

If a Person attempts to influence any employee or agent of Maricopa County, the Chief Procurement Officer, or his designee, reserves the right to seek any remedy provided by the Maricopa County Procurement Code, any remedy in equity or in the law, or any remedy provided by this contract.

6.28 **PUBLIC RECORDS:**

All Offers submitted and opened are public records and must be retained by the Records Manager at the Office of Procurement Services. Offers shall be open to public inspection after Contract award and execution, except for such Offers deemed to be confidential by the Office of Procurement Services. If an Offeror believes that information in its Offer should remain confidential, it shall indicate as confidential, the specific information and submit a statement with its offer detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise. The Records Manager of the Office of Procurement Services shall determine whether the identified information is confidential pursuant to the Maricopa County Procurement Code.

6.29 **INCORPORATION OF DOCUMENTS:**

The following are to be attached to and made part of this Contract:

6.29.1 Exhibit A, Pricing;

6.29.2 Exhibit B, Scope of Work.

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

CONTRACTOR

AUTHORIZED SIGNATURE

PRINTED NAME AND TITLE

ADDRESS

DATE

MARICOPA COUNTY

CHIEF PROCUREMENT OFFICER,
OFFICE OF PROCUREMENT SERVICES

DATE

ATTESTED:

CLERK OF THE BOARD

DATE

APPROVED AS TO FORM:

LEGAL COUNSEL

DATE

EXHIBIT A

PRICING

SERIAL 14016-RFP
 NIGP CODE: 94612
 RESPONDENT'S NAME: Aon Global Risk Consulting
 COUNTY VENDOR NUMBER : _____
 ADDRESS: 100 Bayview Circle, Suite 100
Newport Beach, CA 92660
 P.O. ADDRESS: _____
 TELEPHONE NUMBER: (949) 608-6332
 FACSIMILE NUMBER: (949) 608-6475
 WEB SITE: www.aon.com
 CONTACT (REPRESENTATIVE): Mujtaba Dato, ACAS, MAAA, FCA
 REPRESENTATIVE'S E-MAIL ADDRESS: mujtaba.dato@aon.com

	<u>YES</u>	<u>NO</u>	<u>REBATE</u>
WILL ALLOW OTHER GOVERNMENTAL ENTITIES TO PURCHASE FROM THIS CONTRACT	[]	[x]	
WILL ACCEPT PROCUREMENT CARD FOR PAYMENT:	[]	[x]	
WILL OFFER REBATE (CASH OR CREDIT) FOR UTILIZING PROCUREMENT CARD: (Payment shall be made within 48 hours of utilizing the Purchasing Card)	[]	[x]	_____ %
Payment Terms: NET 30 DAYS			

1.0 PRICING:

<u>ITEM DESCRIPTION</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>
1.1 Complete annual actuarial evaluation/report as defined herein.	<u>\$35,000</u>	<u>\$35,000</u>	<u>\$35,000</u>
1.2 Hourly rate for other "like" actuarial evaluations/studies as may be required/requested.	<u>\$250</u> /hr.	<u>\$250</u> /hr.	<u>\$250</u> /hr.

Travel time and expense to and from Contractor's domicile or office shall not be billable (per Section 2.1.2).

EXHIBIT B**SCOPE OF WORK****1.0 INTENT:**

The intent of this solicitation is to define the technical requirements for actuarial services as required by Maricopa County Risk Management Department to establish qualified contractors of record and award a contract agreement for providing these services. The awarded contractor is required to prepare an annual actuarial evaluation, presented in the final form, acceptable to the Director (Risk Manager) of the Maricopa County Risk Management Department, by August 15 of each contract year, through the collection and evaluation of data and information. Other supplemental reports may be requested on an as needed basis. The cost and timeframe for those will be determined, via Contractor and Risk Management communications, at the time of the request, utilizing the hourly rate of compensation found in Attachment A Pricing Page. Respondents should understand that this solicitation activity and the resultant contract is a "requirements contract". Certain additional services may be defined as "optional" and will be clearly identified as such. The County fully expects to make the contract award to one (1) respondent. No services shall be provided to the County without a valid purchase order.

BACKGROUND

The Risk Management Department is responsible for managing the risk, purchasing insurance and administering the self-insurance programs of Maricopa County. Major portions of this responsibility include risk financing, contractual indemnification and insurance review and compliance, claim and litigation management, loss control/prevention and environmental compliance. Maricopa County currently employs approximately 13,240 FTE's and operates on a FY budget of approximately \$2.8 billion.

Maricopa County began its public liability, workers' compensation and medical malpractice self-insurance programs effective July 1, 1981. The public liability program includes automobile liability; general liability including bodily injury, property damage, personal injury and employer's liability; law enforcement liability; environmental liability and environmental property damage; medical malpractice; and public officials' errors and omissions. At the time the services are needed, the County will provide requested exposure information, historic Self-Insured Retentions (SIR's) and an insurance schedule showing current SIR/deductibles and limits per line of business.

Currently, Maricopa County's unemployment claims are administered by a "third party provider". The County's public liability, workers' compensation, property and medical malpractice claims are managed by in-house adjusters.

The primary medical malpractice exposures are the Correctional Health and Public Health departments.

The Maricopa County Attorney's office is appointed to defend most lawsuits filed against the County; with the assistance of contracted outside counsel. The legal expense for in-house counsel is based on a retainer system and is not presently charged against specific claims/lawsuits in the County's claims tracking system. When outside counsel is appointed, this expense is charged against specific lawsuits/claims in the claims tracking system.

Risk Management uses CSC's Risk Master Software as its Risk Management Information/Claims Tracking system. The contractor will be provided loss runs exported from this system in Excel spreadsheet format.

2.0 SCOPE OF WORK:**2.1 TECHNICAL SPECIFICATIONS/MINIMUM PROVIDER REQUIREMENTS:**

- 2.1.1 The Contractor shall conduct necessary research and analysis and make recommendations utilizing data and information readily available through the Maricopa County, Risk Management Department; and, such data and information will be augmented with "industry" data and information. Existing and proposed Federal and State of Arizona

statutory and legal requirements and limitations and scope of current and future Maricopa County Risk Management strategic plans, thorough benchmarking, shall be thoroughly considered in the research, analysis and recommendations.

- 2.1.2 Regularly scheduled meetings will be conducted between the Contractor and Risk Management to discuss report objectives and, as work progresses, the reports' recommendations. The Contractor shall attend at least two meetings with Risk Management during the Contract's first year and one annually thereafter in addition to one annual presentation to the County's Board of Trustees after the completion of the report and this person must be a Fellow of the Casualty Actuarial Society (FCAS) and be a member in good standing of the American Academy of Actuaries. ***Travel time and expense to and from Contractor's domicile or office shall not be billable.***
- 2.1.3 Contractor shall assist in identification, preparation and assemblage of required data and information by providing Risk Management timely, precise, necessary, clear and concise requirements including scope and format.
- 2.1.4 Contractor's initial written report based on data through June 30, of the current year, shall be received and approved by the Risk Manager by July 25 and then finalized in bound report format by August 15. Contractor shall provide a minimum of 20 bound final report copies and a maximum of 30; and one (1) electronic copy, however, the number required may be lowered based upon need as determined by the Risk Manager. Subsequent reports/analysis may be requested on an as needed basis. Timeframe and cost will be determined and agreed upon prior to starting work.
 - 2.1.4.1 Reports shall consist of the following:
 - 2.1.4.1.1 The County's outstanding liabilities for actuarially calculated estimates of Maricopa County's self-insured worker's compensation, general liability, automobile liability, professional liability, automobile physical damage, property, medical malpractice and environmental liability and property damage claims projected at 55%, 70% and 90% confidence levels, both discounted and undiscounted for the fiscal year just ended and a five (5) year projection.
 - 2.1.4.1.2 The County's projected payments for all lines of business referenced above for the fiscal year just ended and a five (5) year projection.
- 2.1.5 Valuation shall include paid claims and reserve funding adjustments for prior loss years as well as five years' projection of future claims and funding recommendations.
- 2.1.6 Contractor's annual report shall include actuarially calculated estimates of Maricopa County's self-insured claims projected at 55%, 70% and 90% confidence levels.
- 2.1.7 Contractor's annual report shall include projections for all prior years and all future years as specified by the Risk Manager, for each claim/loss type's expected claim count, frequency, average severity, paid losses, case reserves, IBNR (Incurred but not reported) and recommended funding levels.
- 2.1.8 Upon request of the Risk Manager, Contractor shall review and prepare incurred cost estimates of proposed legislation.
- 2.1.9 Upon request of the Risk Manager, Contractor shall provide studies for proposed or future risk management programs utilizing appropriate actuarial and simulation methodologies.
- 2.1.10 Contractor shall be required to calculate, project or estimate outstanding liabilities as of June 30 of each fiscal year (July 1-June 30).

- 2.1.11 Projections and estimates shall include losses, with and without, the effect of discounting for future investment income at an annual rate of return as provided and approved by the Risk Manager.
- 2.1.12 Contractor shall specify the principals' responsible for the management of all activities during the Contract's term. Further, only one consultant shall be assigned to the entire annual report process with a designated back-up and support personnel.
- 2.1.13 Contractor shall remove and replace personnel, with personnel satisfactory to the Maricopa County Risk Manager, that have been assigned to the Contract who do not perform in a manner satisfactory to the Risk Manager and shall obtain prior approval of Contractors' personnel to be assigned to the Contract.
- 2.1.14 *The Maricopa County Risk Manager shall be the final authority in matters of policy, procedures and approval of, and relating to, the annual reports.* If the Risk Manager determines that the Contractor's work is unsatisfactory, either before or after the initial report or final report is due to the County, because it did not conform to the Contract's Scope of Work or specifications, as defined herein, the Contractor shall submit a revised report at the Contractor's expense within the time period required by the Risk Manager.
- 2.1.15 After completion of final report, Contractor shall submit an invoice to the Maricopa County Risk Management Department. The total due, will be in complete compliance with the fee schedule (Attachment A Pricing Page) as stated in the contract document.
- 2.1.16 The County will monitor the Contractor's compliance with, and performance under, the terms and conditions of this Contract. On-site visits for Contract compliance monitoring may be made by the County and/or its grantor agencies at any time during the Contractor's normal business hours, announced or unannounced. The Contractor shall make available for inspection and/or copying by the County's monitors, all records and accounts relating to the work performed or the services provided under this Contract, or for similar work and/or service provided under other grants and Contracts.
- 2.1.17 CONTRACTOR/ACTUARY MINIMUM REQUIREMENTS:

All respondents shall meet or exceed the listed minimum qualifications Contractor shall perform its services in accordance with applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board. Respondents found not meeting these minimum requirements may be deemed non-responsive and not eligible for award.

- 2.1.17.1 Shall have provided five (5) years demonstrable Public Entities actuarial services and within the last two (2) calendar years Arizona Public Entities actuarial services. Please list all Public Entities and the line of business that you have provided services showing five (5) years' experience and list Arizona Public entities and services within the last two (2) calendar years.
- 2.1.17.2 Shall have demonstrated, thorough actuarial experience within the following areas; public entity loss exposures; automobile liability and physical damage; workers' compensation; medical malpractice; property; law enforcement liability; errors and omissions; and general liability including personal injury and employment matters. Please list all entities and the area of service provided.
- 2.1.17.3 Shall have demonstrable public entity actuarial experience with public entities employing no less than 10,000 FTE's. Please list all Public Entity's and the line of business that services were provided. Please list the number of FTE's per Public Entity you service.

2.1.17.4 Contractor shall list price for services.

2.1.17.5 Contractor's office staff that will primarily provide these actuarial services, to the County, must be a Fellow of the Casualty Actuarial Society (FCAS) and be a member in good standing of the American Academy of Actuaries. As the lead actuary for the project, all services performed must be either performed by or under the immediate direct supervision of the Fellow of the Casualty Actuarial Society. All presentations and meetings must be attended by the Fellow member.

2.1.17.6 Shall have a national casualty actuarial resource office. Please list location.

2.1.17.7 Please list all Public Entity's that your company provided SOLE actuarial services for and what lines of business were done.

NARRATIVE

A. Introduction

The County seeks actuarial services for its self-insured programs of the following coverages:

- workers compensation
- general liability
- automobile liability
- professional liability
- automobile physical damage
- property
- medical malpractice
- environment liability and property damage

The broad scope of work is to develop estimated outstanding liabilities and funding rates for future fiscal years. This will provide important data for financial audit statements and strategic long-range planning.

The conclusions of our work will be provided in a written report. The report will have an executive summary designed to be easily understood by non-actuaries. It will contain a technical section with sufficient information to support all conclusions and to facilitate future analysis.

B. Scope of Work

Our specific scope of work, separately for each line of coverages, is the following.

1. **Estimate Outstanding Losses.** Estimate outstanding losses (including allocated loss adjustment expenses [ALAE]) as of June 30, 2014.

The estimated outstanding losses are the cost of unpaid claims. The estimated outstanding losses include case reserves, the development of known claims and incurred but not reported (IBNR) claims. ALAE are the direct expenses for setting specific claims.

The estimated outstanding losses will be shown on a full-value basis (not discounted for investment earnings) and present-value basis (discounted for investment earnings). They will also be provided at the expected, 70% and 90% confidence levels.

3. **Project Ultimate Limited Losses.** Project ultimate limited losses (including ALAE) for the 5 upcoming years from 2014/15 through 2018/19.

The projected ultimate limited losses are the accrual value of losses during the claim period, regardless of report or payment date.

Projected ultimate limited losses will be shown on a full-value basis (not discounted for investment earnings) and present-value basis (discounted for investment earnings). They will also be provided at the expected, 70% and 90% confidence levels.

3. **Project Losses Paid (Cash Flow).** We will project losses to be paid during 2014/15 through 2018/19.

The paid losses are the cash value of losses with payment dates during each year from 2014/15 through 2018/19, regardless of report or accident date. This is a cash flow analysis useful for investment and budget purposes.

4. **Affirm GASB Statement Nos. 10 Compliance.** We will provide a statement that the conclusions in the actuarial study are consistent with GASB Statement No. 10.

5. **Optional Services.** Upon request, we will
 - review and prepare incurred cost estimates of proposed legislation and

- provide studies for proposed or future risk management programs utilizing appropriate actuarial and simulation methodologies.

For optional services, we will estimate the fees and seek the County's approval before proceeding.

C. Project Approach

To complete this project, we will:

1. Participate in an initial discussion with the County to learn about its self-insured program.
2. Submit a written data request to the County.
3. Gather and compile data provided by the County. We will review the data for reasonableness. Anomalies (if any) will be identified. If requested, we can obtain data directly from the claims administration firm(s).
4. Discuss large individual claims with the County. Large claims can have a disproportionate impact upon the actuarial analysis. We want to be certain we fully understand the large claims.
5. Develop estimates of claim costs for 2014/15 through 2018/19.

The estimates will be based on the County's own data to the extent it is a good predictor of future activity. To the extent the County's loss data is not a good predictor, our projections will reflect other similar programs with which we are familiar.

Based on our experience, we have found that insurance industry statistics are often not applicable to public entities. This is because insurance industry statistics reflect a wide range of diverse risks (public entities are much more homogeneous). Public entities tend to manage claims very carefully. Therefore, reporting and payout patterns differ from insurance industry statistics.

For the above reasons, we will apply insurance industry statistics judiciously.

Our estimates will be developed based on generally accepted actuarial practices and will be consistent with GASB Statement No. 10. We will consider at least the following actuarial methodologies:

- ◆ Paid loss development
- ◆ Reported incurred loss development
- ◆ Case reserve analysis
- ◆ Reported claims development
- ◆ Frequency and severity analysis
- ◆ Loss rate analysis
- ◆ Bornhuetter-Ferguson analysis
- ◆ Increased limits analysis

6. Based on projected losses and expected claims disbursement patterns, project investment income.
7. Prepare a draft report of our conclusions and recommendations.

The conclusions and recommendations will be clear, concise and easily understood by non-actuaries. The report will include charts, graphs and other documentation sufficient to support all conclusions and recommendations. Further discussion of the report appears in Section D, "Deliverables," of this chapter.

8. Discuss the draft report with the County by telephone. Based on new facts ascertained in our discussions, we will revise the draft report and issue a final report.

D. Deliverables

The County will receive a thorough, yet easy-to-understand report. The technical section will include the following information to support all conclusions and facilitate future analysis.

- ◆ **Background.** Relevant details concerning the history, administration, claims handling, retention levels and excess coverage will be provided.
- ◆ **Data Sources.** Descriptions of the loss and exposure data provided by the County and its administrators will be provided. Individual claims requiring special treatment in the analysis will be cited, including an explanation of how we treated the claims in the analysis. If industry data is used to supplement our analysis, a description of the data source will be provided; we will explain how we incorporated the industry data into the analysis.
- ◆ **Methods Used.** Descriptions of the various actuarial methods used in the analysis will be provided. We will also explain the considerations associated with selecting the methods as well as the underlying assumptions.
- ◆ **Exhibits.** The exhibits will show the details of our analysis and support all conclusions stated in the Executive Summary.

Our reports are practical, useful documents, frequently referred to by our clients over months until they are updated by ensuing reports. A sample report is attached in Appendix B.

E. Timeline

We propose the approximate schedule as shown in Table I-1.

**Table I-1
Timetable**

Major Activity (1)	Timing (2)
(A) Project kickoff	Within two (2) days of notification to proceed
(B) Submit written data request	Within two (2) days of project kickoff
(C) AGRC performs actuarial analysis and submit draft report	Within three (3) weeks of receipt of data, by July 25
(D) Final report	Within two days of the County's approval of the draft, by August 15

We have the resources readily available to complete work on schedule. The schedule can be accelerated or amended in accordance with the needs of the County.

II. PROFESSIONAL QUALIFICATIONS

A. Description of AGRC

Aon is a corporation and was founded on December 12, 1979; although predecessor organizations to our firm have been in business for more than 300 years. Aon has approximately 600 offices worldwide, serving 120 countries with 61,000 employees. Aon serves clients in virtually all industries.

Aon Global Risk Consulting, a division of Aon has a nationwide risk management, actuarial and insurance consulting practice with more than 80 actuarial consultants and 40 Associates and Fellows of the Casualty Actuarial Society who are also Members of the American Academy of Actuaries. Through our experienced team of actuarial and analytical specialists, we provide a broad range of risk quantification services to our clients, and have earned the reputation as one of the leading service providers in this field.

AGRC has extensive experience performing actuarial studies and has also performed many related projects. We regularly evaluate cost allocation plans, coverage forms, excess insuring pricing, program administration and risk retention capacity. We believe this gives AGRC a unique perspective.

AGRC is not *just* an actuarial firm. We are much more well-rounded. For similar assignments, we typically use peer review from a non-actuary risk management Managing Director. This ensures the report can be understood by a non-technical person and meets the high standards expected by our clients.

Every two years, AGRC presents an educational conference for public entity risk pools. Many conference attendees return because the information acquired proves beneficial to their organization. The 18th conference was held in Beaver Creek, Colorado, from July 30 through August 2, 2013.

AGRC is experienced in providing the services the County requires. We have staff actuarial consultants who will be at the County's disposal to complete key tasks. AGRC personnel have the ability to respond promptly to the County's service requests.

AGRC's specific capabilities include:

Actuarial services	Insurance coverage and policy reviews
Cost allocation design	Risk financing reviews
Benchmarking	Risk management audits
Claim audits	RFP preparation
Information services	

B. Why AGRC is Most Qualified to Serve the County

We believe AGRC is most qualified to serve the County for the following reasons:

1. **Relationship Oriented.** AGRC takes a long-term, relationship-oriented view towards its assignments. Unlike other firms with only a project-oriented approach to actuarial services, we develop an understanding of the entire program to help ensure our services will meet your needs. We are available to answer your questions, offer insights and aid you in the financial stewardship of your organization.
2. **Strong Ties to the Public Sector Community.** AGRC consultants often speak at and regularly attend PARMA, PRIMA, CAJPA, AGRIP and STRIMA conferences. Every two years, AGRC sponsors a conference on risk retention pools. Our active participation at local and national conferences strengthens our ties to the public sector community. We know the issues affecting governmental entities and can serve as a resource as you analyze complex issues.
3. **Unique Perspective.** AGRC has extensive experience performing actuarial reviews and related projects. We regularly evaluate coverage forms, excess insurance pricing and exposures arising from

operations and administration of risk management programs. We believe this gives AGRC a unique perspective. Our broader understanding of risk management issues can assist you in more effective administration of your program.

The interaction of risk management consultants and actuarial expertise provides for greater in-depth analysis and brings more overall knowledge to bear on the County's needs.

4. **Concentrated Analysis.** AGRC concentrates on the matters relevant to your self-insured program. We delve deeply and penetrate into the issues driving your loss costs and risk exposure.

AGRC reports communicate our findings, conclusions and recommendations clearly and concisely. AGRC reports lay a firm foundation for future studies.

C. Customer Service

We survey our clients after work completion. The results reveal a very high level of satisfaction. A summary of client responses, on a scale of 1 to 5 (excellent) is as follows:

1. Over 98% of our clients rate us as excellent or near-excellent. Clients surveyed indicate they will continue working with us.
2. Over the five-year span between 2009 and 2013, we have completed over 2,500 actuarial reports representing over 350 clients across 42 states, illustrated on the following map.

Technical Competence	4.9
Performance of Project Manager	4.9
Quality of Work	4.9
Value of Services	4.9
Accuracy of Project Cost Estimates Not Applicable	4.8
Initial Response Time	4.8
Deadlines Met and Promises Kept	4.8
Availability of Personnel When Needed	4.8
Continued Response Time	4.8
Administrative Services (Phone Answering, Invoices, etc.)	4.8



These reports represent the actuarial work for predominantly public sector entities. This demonstrates our efficiency while maintaining the highest customer satisfaction, best practices and required actuarial standards. Along the way, we have also contributed to public sector conferences by providing educational presentations.

D. Project Team

The project team has been assembled because the experience and education of the members respond well to the County's needs. Appendix A contains a resume for each project team member. Below, we highlight certain areas of the service team experience.

1. **Mr. Mujtaba Dattoo, ACAS, MAAA, FCA.** Mr. Dattoo, Actuarial Practice Leader at AGRC, will lead the actuarial work. He is an Associate of the Casualty Actuarial Society, a Member of the American Academy of Actuaries and a Fellow of the Conference of Consulting Actuaries.

Mr. Dattoo performs actuarial services for scores of pools, cities counties, school, and other self-insured governmental entities. He has provided actuarial services since 1980, including general liability, automobile liability, property, and medical malpractice, and analyzing all aspects of workers compensation ratemaking and legislative pricing in statewide filings to determine rate adequacy and presentation of findings for the National Council on Compensation Insurance (NCCI).

A frequent speaker on actuarial issues, Mr. Dattoo spoke at the CAJPA conferences on financial benchmarks for pools and at the CASBO conference for school business officials every year since 2004. In 2005, he presented at the Conference of Consulting Actuaries on 'Strategic Decision-Making for Collective Risk-Sharing Entities.' In June 2006, he co-presented at PRIMA on 'Selection of Self-Insured Retention Levels for Public Entities.'

In February 2007, he presented 'Demystifying the Actuarial Report' at PARMA.

In May 2008, he presented to the National League of Cities – RISC Pool Trustees on 'What an Actuary Should be Providing a Board, How to Read an Actuarial Report, and What Questions to Ask.'

At the June 2008 PRIMA meeting, he presented at two sessions on Understanding the Actuarial Report and Explaining Experience Modification. In 2009, he co-presented on "What do Those Actuaries Do with Your Claims Data?"

In February 2009, he presented a session on "Approaches to Rate Setting." at PARMA.

In April 2010, he presented at CASBO on "What Actuaries Do with Claims Data" and in June 2010 at PRIMA sessions on "How to Read Your Actuarial Report" and co-presented on "Adjuster and Actuary: Artist and Scientist."

In September 2010, he presented to CAJPA on "A Risk-Based Capital Approach" to determine how much equity is enough.

In June 2011, he presented at PRIMA on cost allocation, and in September 2011 at CAJPA and in June 2012 at PRIMA, he presented on "Seven Questions to Ask Your Actuary."

At the June 2013 PRIMA meeting, he presented two sessions on "Actuarial Judgment: How It Impacts Your Program" and "Too Much, Too Little or Just Right Surplus: Risk Based Capital and Financial Ratios."

In September 2013, he presented at CAJPA on "Pricing Legislative Impacts."

2. **Ms. Jo Ellen Cockley, FCAS, MAAA.** Ms. Cockley, Associate Director and Actuary at AGRC, will peer review the work. She is a Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries.

Ms. Cockley has over 25 years of actuarial experience in the insurance and consulting industries. Her primary areas of focus are in medical malpractice; asbestos and latent disease modeling; and other professional liability exposures. Ms. Cockley obtained a BA in Mathematics from Lafayette College in Easton, Pennsylvania. She obtained her FCAS in 1996 and has been a member of the American Academy of Actuaries since 1994.

3. **Ms. Tracy Fleck, ACAS, MAAA.** Ms. Fleck, a consultant and actuary at AGRC, will assist with the actuarial analysis.

Ms. Fleck has experience providing reserve and funding analysis for self-insured programs.

4. **Ms. Elaine Shen, ACAS, MAAA.** Ms. Shen, a consultant and actuary at AGRC, will assist with the actuarial analysis.

Ms. Shen has experience providing loss projections, estimating outstanding losses and funding studies for self-insured workers compensation, automobile liability, and general liability programs.

5. **Mr. Daniel Park.** Mr. Park, an actuarial analyst at AGRC, will assist with the actuarial analysis.

Mr. Park has experience providing loss projections, estimating outstanding losses and funding studies for self-insured workers compensation, automobile liability, and general liability programs.

Other staff members will provide support as needed.

III. REFERENCES

AGRC has had the opportunity to perform a broad range of projects for public entities. We encourage the County to contact the references in Table III-1.

**Table III-1
References**

Entity (1)	Work/Duration (2)	Contact Name (3)	Phone Number (4)
State of Nebraska (# employees: 35,915)*	Actuarial studies, 2003 to present	Ms. Shannon Anderson	(402) 471-4114
State of New Mexico (# employees: 42,398)*	Actuarial studies, cost allocation, 1995 to present	Mr. Jay Hone	(505) 827-0670
State of Nevada (# employees: 25,344)*	Actuarial studies, 1994 to present	Mr. Stan Miller	(775) 684-1252
State of Wyoming (# employees: 12,410)*	Actuarial studies, 1991 to present	Ms. Tammy Hooper	(307) 777-6796
State of North Dakota (# employees: 15,537)*	Actuarial studies, 2000 to present	Mr. Tag Anderson	(701) 328-7580
City of Scottsdale 3939 Civic Center Boulevard Scottsdale, Arizona 85251	Actuarial studies, 1998 to present	Mr. Ted Howard Risk Management Director	(480) 312-7841
City of Prescott 201 South Cortez Prescott, Arizona 86303	Actuarial studies, 2000 to present	Ms. Lori Burkeen Risk Management	(928) 777-1257
Tucson Unified School District 1010 E. 10 th Street Tucson, Arizona 85710	Actuarial studies, 2000 to present	Ms. Maria Luna Risk Management Director	(520) 225-6653
Valley Schools Insurance Trust 2730 West Agua Fria Freeway, Suite 201 Phoenix, Arizona 85027	Actuarial studies, 2000 to present	Mr. Tom Boone Executive Director	(623) 594-4370
Pitkin County, Colorado 530 East Main Street, Suite 212 Aspen, Colorado 81611	Actuarial studies, 2000 to present	Ms. Kristin Jewkes Director of Risk Management	(970) 429-2795
Travis County, Texas 1010 Lavaca Street, Suite 200 Austin, Texas 78767	Actuarial studies, 1997 to present	Mr. William Paterson ARM, Risk Manager	(512) 854-9650
Brevard County, Florida 2725 Judge Fran Jamieson Way, Building B Viera, FL 32940	Actuarial studies, 1998 to present	Mr. Gerard Visco Director of Insurance & Risk Mgmt.	(321) 637-5446
Johnson County, Kansas 111 South Cherry Street, Suite 2400 Olathe, Kansas 66061	Actuarial studies, 1999 to present	Mr. Bill Cauveren Risk Manager	(913) 715-0618
Henrico County, Virginia 1590 East Parham Road Richmond, Virginia 23273-7032	Actuarial studies, 2003 to present	Ms. Cindy Smith Risk Manager	(804) 501-5669
Chesterfield County, Virginia Department of Risk Management 10000 Courtview Lane Chesterfield, Virginia 23832	Actuarial studies, 1999 to present	Ms. Diane Snowdon Risk Management	(804) 318-8810
San Mateo, California 455 County Center Redwood City, California 94063	Actuarial studies, 2000 to present	Mr. Scott Johnson Risk Manager	(650) 363-4343

Number of employees in column 1 is from 2010 US Census report.

Additional references can be provided upon request.

2.1.17.1 Shall have provided five (5) years demonstrable Public Entities actuarial services and within the last two (2) calendar years Arizona Public Entities actuarial services. Please list all Public Entities and the line of business that you have provided services showing five (5) years' experience and list Arizona Public entities and services within the last two (2) calendar years.

AGRC is one of the top three actuarial consulting firms providing property and casualty actuarial consulting services. AGRC has been in existence for over 30 years delivering "full service" support that is responsive and flexible to over 900 clients, including 30+% of the Fortune 200. A deep bench of over 80 professionals, including 40+ Fellows and Associates of the Casualty Actuarial Society.

Some of our Arizona clients include city of Scottsdale, city of Prescott, Tucson Unified School District, Valley Schools Insurance Trust, etc (See Table III-1 for detail).

2.1.17.2 Shall have demonstrated, thorough actuarial experience within the following areas; public entity loss exposures; automobile liability and physical damage; workers' compensation; medical malpractice; property; law enforcement liability; errors and omissions; and general liability including personal injury and employment matters. Please list all entities and the area of service provided.

Our list of public entity clients encompasses some or all of the coverages mentioned above, some of which are listed in Table III-1.

2.1.17.3 Shall have demonstrable public entity actuarial experience with public entities employing no less than 10,000 FTE's. Please list all Public Entity's and the line of business that services were provided. Please list the number of FTE's per Public Entity you service.

See the first 5 clients from Table III-1. They encompass some or all of the coverages mentioned in 2.1.17.2 above.

2.1.17.4 Contractor shall list price for services.

The price for the public entities' actuarial services varies amongst clients depending on the number of coverages and requested scope of work. Listing the prices may not be appropriate for comparison to services offered in this proposal.

2.1.17.5 Contractor's office staff that will primarily provide these actuarial services, to the County, must be a Fellow of the Casualty Actuarial Society (FCAS) and be a member in good standing of the American Academy of Actuaries. As the lead actuary for the project, all services performed must be either performed by or under the immediate direct supervision of the Fellow of the Casualty Actuarial Society. All presentations and meetings must be attended by the Fellow member.

2.1.17.6 Shall have a national casualty actuarial resource office. Please list location.

- Seattle, WA
- San Francisco, CA
- Los Angeles, CA
- Newport Beach, CA
- Dallas, TX
- Houston, TX
- Minneapolis, MN
- Chicago, IL
- Detroit, MI
- Philadelphia, PA
- Radnor, PA
- Rochester, NY
- New York, NY
- Somerset, NJ
- Baltimore, MD
- Columbia, MD
- Boston, MA
- Raleigh, NC
- Miami, FL

2.1.17.7 Please list all Public Entity's that your company provided SOLE actuarial services for and what lines of business were done.

We work with over 200 public entity clients per year across the county. These clients receive actuarial services. Some may also procure other services from Aon.

RESUMES

MUJTABA DATOO, ACAS, MAAA, FCA

Actuarial Practice Leader

EXPERIENCE **Actuarial Consulting — 2002 to present.** Actuarial Practice Leader providing actuarial consulting services within the insurance and risk management fields. Services include loss reserve and funding studies for self-insured workers compensation, automobile liability, general liability and hospital professional liability.

SCPIE Companies — 2001 to 2002. Associate Actuary. Responsibilities included medical malpractice ratemaking, assistance in preparation of annual statements and quarterly reserving, producing competitive market analysis in teamwork with underwriters, marketing and claims personnel. Prepared filings for insurance departments and data reporting to bureaus.

National Council on Compensation Insurance (NCCI) — 1987 to 2001. Managing Associate Actuary. Negotiated rate filings with insurance department in workers compensation filings in western states. Responsibilities included all aspects of workers compensation ratemaking and legislative pricing in statewide filings to determine rate adequacy and presentation of findings to insurance regulators and industry stakeholders in most western states.

Automobile Insurance Plans Services Office (AIPSO) — 1980 to 1987. Senior Actuarial Assistant. Performed ratemaking functions related to automobile assigned risk and corresponding statistical services.

ACADEMIC BACKGROUND B.A. from Columbia University
Courses in Law, Queen Mary College, London University
Supervisor Course, American Management Association, New York

PROFESSIONAL SOCIETIES Associate of the Casualty Actuarial Society
Member of the American Academy of Actuaries
Fellow, Conference of Consulting Actuaries

PUBLICATIONS "Post Reform Ratemaking: Adjustment of Loss Development Factors," published in the 1995 CAS Forum. This technique was incorporated in the 1994 and 1995 Colorado workers compensation rate filings.
"Surplus and Return on Surplus," coauthored with Tony DiDonato, FCAS, *NCCI Workers Compensation Issues Report*, summer 2000.
"Workers Compensation Loss Development Factor Analysis in a Post Reform Environment" (unpublished), coauthored with Nicholas Lannutti, FCAS.

JO ELLEN COCKLEY, FCAS, MAAA

Associate Director and Actuary

- CURRENT RESPONSIBILITY** **Aon Risk Consultants (May 2004)**
 Associate Director & Actuary
- Manages the Actuarial and Analytics Radnor office
 - Leads the Asbestos and Latent Exposure strategic initiative
 - Provides actuarial consulting services to a wide variety of insurance and non-insurance organizations
 - Performs loss reserve valuations, loss forecasting, financial forecasting and pricing studies
 - Develops and maintains computer models for actuarial projects
 - Provides peer review to ensure adherence to applicable actuarial standards of practice
- SPECIAL AREAS OF EXPERTISE**
- Asbestos and Latent Exposure Liability Modeling
 - Medical Malpractice and Other Professional Liability
 - Statistical Modeling
- PRIOR INDUSTRY EXPERIENCE** **PMA Reinsurance Company**
 1999 – 2004
 Assistant Vice President and Actuary – Treaty Specialty Pricing
- KPMG LLP**
 1998 – 1999
 Senior Consultant and Actuary – International Reserving
- ACE INA**
 1987 – 1998
 Director and Associate Actuary – Reinsurance and Commercial Lines Pricing; Asbestos and Pollution Litigation Risk Analysis
- EDUCATION/ PUBLICATION/ PROFESSIONAL DESIGNATIONS/ AFFILIATIONS**
- Education**
 B.A., Lafayette College – Easton, Pennsylvania Mathematics Major
- Publication**
 Co-author of Loss Reserving Chapter in *Foundations of Actuarial Science* (Fourth Edition)
- Professional Designations**
- Fellow of the Casualty Actuarial Society 1996
 - Member of the American Academy of Actuaries 1994

TRACY FLECK, ACAS, MAAA

Consultant and Actuary

EXPERIENCE **Consultant and Actuary — 2008 to present.**
Family leave — 2002 to 2007.
Associate Actuary — 1992 to 2001. Projected reserve and funding estimates for self-insured programs for a variety of commercial lines, including automobile liability, employment practices liability, general liability, medical professional liability, products liability, and workers' compensation. Allocated projected costs among departments and locations of self-insured entities. Prepared Schedule P and Statement of Actuarial Opinion for title insurance companies. Oversaw work completed by actuarial analysts. Conducted client meetings concerning program changes and data requirements. Managed actuarial analyst staff, including daily work assignments and annual performance reviews. Assisted in writing proposals for potential projects, including time estimates and budgets.

ACADEMIC BACKGROUND B.S Mathematics, University of California, Irvine

PROFESSIONAL SOCIETIES Associate of the Casualty Actuarial Society
 Member of the American Academy of Actuaries

ELAINE SHEN, ACAS, MAAA

Consultant and Actuary

EXPERIENCE **Aon Risk Consultants, Inc. — 2008 to present.**
 Providing actuarial consulting services within the insurance and risk management fields. Services include reserve and funding studies for self-insured workers compensation, automobile liability and general liability.

ACADEMIC BACKGROUND B.A. in Economics, University of Pennsylvania

PROFESSIONAL SOCIETIES Associate of the Casualty Actuarial Society
 Member of the American Academy of Actuaries

DANIEL PARK

Actuarial Analyst

EXPERIENCE ***Aon Risk Consultants — 2008 to present.*** Actuarial Analyst. Providing actuarial consulting services within the insurance and risk management fields. Services include:
Loss reserve and funding studies for self-insured workers compensation, automobile liability and general liability.

ACADEMIC BACKGROUND B.A. in Applied Mathematics, University of California, San Diego

PROFESSIONAL EXAMINATIONS Casualty Actuarial Society Examinations 1, 2, 3F, 3L, 4C, C1 and C2.
VEEs: Economics, Corporate Finance, and Applied Statistical Methods.

COMPUTER SKILLS Microsoft Excel, Microsoft Word

AON GLOBAL RISK CONSULTING, 100 BAYVIEW CIRCLE, STE 100, NEWPORT BEACH, CA 92660

PRICING SHEET: 94612

Terms:	NET 30
Vendor Number:	2011004946 0
Telephone Number:	(949) 608-6332
Fax Number:	(949) 608-6475
Contact Person:	Mujtaba Dato
E-mail Address:	mujtaba.dato@aon.com
Certificates of Insurance	Required
Contract Period:	To cover the period ending June 30, 2017.