

SHAMOKIN TOWNSHIP
NORTHUMBERLAND COUNTY, PENNSYLVANIA

RESOLUTION 2012-8

A RESOLUTION OF SHAMOKIN TOWNSHIP, ADOPTING WRITTEN PROCEDURES GOVERNING HOW PROFESSIONAL SERVICES ARE CHOSEN FOR ITS PENSION PLANS IN ORDER TO COMPLY WITH ACT 44 AND THE AUDITOR GENERAL'S RECOMMENDATION

WHEREAS, with the passage of Act 44, municipalities are now required to prepare written procedures in how professional services are chosen for its pension plans; and,

WHEREAS, the Department of the Auditor General began issuing verbal observations recommending that municipalities implement a written policy; and

WHEREAS, municipalities must provide the Department of the Auditor General with a copy of their written procedures during their next scheduled audit,

NOW, THEREFORE, BE IT RESOLVED by the Supervisors of Shamokin Township, Northumberland County, Pennsylvania, that Shamokin Township hereby adopts the attached document entitled "Shamokin Township Procedures for Compliance with the Professional Services Contract Provisions of Act 44 of 2009".

RESOLVED this 14th day of November, 2012.

ATTEST:

SHAMOKIN TOWNSHIP

By: Stephanie McKinney

By: Thomas R. Coal

Shamokin Township
Procedures for Compliance with the
Professional Services Contract Provisions of Act 44 of 2009

Below are procedures for the purchase or provision of professional services, including investment, legal, actuarial and other consulting services the municipality is adopting to comply with Act 44:

- 1) Request for Proposal Application(s) Including Disclosures: Applications will be drafted at the time the service is needed. The application provisions will address the firm's qualifications, experience, expertise, and compensation to be charged. An Act 44 compliant Disclosure Form will be included in the application. This is not subject to a requirement that the lowest bid be accepted; but, rather shall be awarded to the most qualified firm.

- 2) Advertisement: Shamokin Township shall advertise the request for a professional services contract to potential participants or candidates in a timely and efficient manner. An advertisement of the availability of a proposal for a professional services contract shall include:
 - The services that are the subject of the proposed contract
 - Specifications relating to the services
 - Procedures to compete for the contracts
 - Required disclosures will be included in the RFP

- 3) Review: The evaluation process will involve several steps. The initial responses to this Request for Proposal will be evaluated by the Supervisors. The Supervisors will determine a list of finalists. The Supervisors shall have the right to interview finalists and make a final decision.

The criteria to be used in the evaluation process can differ depending on the professional services requested but all would include:

- The firm's qualifications, experience and expertise related to Pennsylvania Municipal Pensions
 - The firm's approach to managing risk and research capabilities
 - The firm's knowledge of Act 205 & Act 600
 - The quoted fee of the firm
 - The firm's availability to meet with the committee
 - The response of the references provided by the firm
 - The ultimate confidence of the municipality as represented by the vote to accept the firm
- 4) Personnel: Prior to entering into a professional services contract, the firm shall disclose the names and titles of each individual who will be providing professional services to the municipal pension system, including advisors or subcontractors of the firm.

Disclosure under this subsection shall include all of the following:

- Whether the individual is a current or former official or employee of the municipality entering into the contract.
 - Whether the individual has been a registered Federal or State lobbyist
 - A description of the responsibilities of each individual with regard to the contract
 - The resume of an individual included in the disclosure shall be provided to the Supervisors upon request
- 5) Conflict of Interest: The procedures shall include a minimum one-year restriction on:
- Participation by a former employee of a contractor or potential contractor in the review of a proposal or negotiation of a contract with that contractor.
 - Participation by a former employee of the municipal pension system in the submission of a proposal or the performance of a contract.
 - No gifts.
 - No political contributions.
- 6) Public Information: Following the award of a professional services contract, all applications and disclosure forms shall be public except for proprietary information or other information protected by law.
- 7) Notification and Posting of Proceedings: The relevant factors that resulted in the award of the professional services contract must be summarized in a written statement and included in or attached to the documents awarding the contract. Within 10 days of the award of the professional service contract, the original application, a summary of the basis for the award and all required disclosure forms must be transmitted to all unsuccessful applicants and posted on the municipal pension system's website, if a website is maintained, at least seven days prior to the execution of the professional services contract.
- 8) Increase: A professional services contract shall not be amended to increase the cost of the contract by more than 10% or \$10,000, whichever is greater, unless the increase and a written justification for the increase are public and posted on the municipal pension system's website, if a website is maintained, at least seven days prior to the effective date of the amendment.