



PARLIAMENTARY PROTECTIVE SERVICE  
SERVICE DE PROTECTION PARLEMENTAIRE  
CANADA

# STATEMENT OF WORK (SOW)

## ACTUARIAL SERVICES

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## **1. Interpretation**

In this SOW, the following definitions shall apply and take precedence over definitions included in any other document(s). When the context requires, references to the singular shall be considered to include the plural, the plural to include the singular, and the neuter gender to include the masculine and the feminine.

- 1.1. Contractor: means the person, firm, agency, entity, contractor or Contractor who is registered, licensed or otherwise authorized to practice in the province or territory of the Work, and will be engaged by Parliamentary Protective Service (PPS) to provide goods, services, design, studies, and/or other specialized services for the completion of the Work.
- 1.2. Contract: means the Purchase Order sent to the Contractor or a written agreement executed by PPS and the Contractor in accordance with the SOW documents, including all issued Amendments, the General Conditions, any negotiation and/or changes (as PPS may in its sole discretion approve), annexes or other document specified or referred to as forming part of the Contract, all as amended by agreement of the parties.
- 1.3. Contracting Authority: means PPS' Contracting Authority whose powers and responsibilities shall be as follows:
  1. is responsible for all queries related to the terms of the Contract and for its amendments;
  2. has the sole power to authorize any changes to the Contract;
  3. has the sole power to contractually bind PPS;
  4. is responsible for dispute resolution arising out of the Contract.
- 1.4. Project: means the total work of which the Work may be a whole or a part.
- 1.5. Project Authority: means PPS' Project Authority whose powers and responsibilities shall be as follows:
  1. manages the Work and is accountable for its complete lifecycle;
  2. responsible for all queries related to the Work;
  3. when required, recommends the granting of extensions or amendments to the Contract;
  4. certifies the Contractor's invoices for work that has been completed according to the Contract;
  5. authorizes the Project/Contract closure;
  6. produces and communicates Contractor's performance data.
- 1.6. Subcontractor or Subcontractor: means those permitted persons, entities and specialist hired by the Contractor to perform part of the Work on their behalf

and for whom the Contractor is solely and fully liable.

- 1.7. Work: means all services, activities, deliverables, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract (i.e. the total Work described in the SOW documents).

## **2. Purpose**

- 2.1. The Parliamentary Protective Service (PPS) has a requirement for actuarial services to assist PPS in estimating, if applicable, a reasonable liability value for inclusion in the audited annual financial statements related to compensated absences in compliance with the Canadian public sector accounting standards issued by the Public Sector Accounting Board (PSAB).
- 2.2. This SOW is intended to identify the actuarial services requirements and provide associated information for the Contractor team with the main objective to define the scope of the Work for the Contractor to be able to develop a proposal.

## **3. Background**

- 3.1. On June 23, 2015, the Parliamentary Protective Service was created through amendments to the Parliament of Canada Act made by the Economic Action Plan 2015 Act, No. 1. The Speaker of the Senate and the Speaker of the House of Commons are, as the custodians of the powers, privileges, rights and immunities of their respective Houses and of the members of those Houses, responsible for the Service. The newly created parliamentary entity amalgamated the former Senate Protective Service, House of Commons Security Services into a single unified security entity to serve the Parliament of Canada.

PPS is a separate parliamentary entity responsible for all matters with respect to physical security throughout the Parliamentary Precinct and Parliament Hill. The Director executes his or her mandate under the joint general policy direction of the Speaker of the Senate and the Speaker of the House of Commons. The Speakers of both Houses, being responsible for the Service, and the Minister of Public Safety and Emergency Preparedness, have entered into an arrangement to have the RCMP lead the physical security operations of the Service.

As a parliamentary institution that is constitutionally independent of the Government of Canada, PPS is not subject to accounting policies and directives of the Treasury Board of Canada or any other Canadian Government department. Nevertheless, the PPS does recognize these policies and directives as sources for best practices and works to uphold the spirit in which they were

written to the extent possible, given its unique context.

PPS does not have an Internal Audit department. PPS has been preparing its Financial Statements in accordance with the Canadian public sector accounting standards and obtained unqualified auditor's reports since its creation.

- 3.2. Sick leave is a benefit that accumulates but does not vest that is normally paid upon illness. This benefit is an obligation and thus, needs to be recognized in PPS financial statements, if material to the financial situation of PPS
- 3.3. There are approximately 750 full-time employees at PPS that are entitled to compensated absences.

#### **4. Scope of Services**

- 4.1. PPS is requesting proposals from experienced qualified firms for the provision of an actuarial valuation of employees accumulated compensated absences as of March 31st, 2024 and the prior year comparable figure in accordance with Canadian public sector accounting standards PS 3255 – Post-employment benefits, compensated absences and termination benefits.
- 4.2. The Contractor will prepare a report that will contain the results of its valuation. The final valuation report needs to be delivered no later than April 30, 2024.
- 4.3. In addition, the Contractor will produce an extrapolation or updated valuation on an annual basis as of March 31<sup>st</sup>, for the duration of this contract. This annual report is to be delivered no later than April 30 of each year.
- 4.4. The Contractor must provide a report for the actuarial valuation of the compensated absences liability by April 30, 2024 that would withstand an external audit, including:
  - the recommended liability value to be recorded in the financial statements, in compliance with Canadian public sector accounting standards;
  - the assumptions and sufficient information to support the actuarial valuation and liability value;
  - the recommended frequency to perform an actuarial valuation of the sick leave liability.

#### **5. Roles and responsibilities**

- 5.1. The Contractor is responsible and accountable for the proper execution of all Work identified in the SOW and for obtaining any clarifications from the

Project Authority.

5.2. The Contractor will be responsible for the following:

- Determining and assessing risk financial impacts.
- Using mathematical and statistical models to evaluate associated risks.
- Completing the required reporting and analysis.
- Preparing actuarial valuation and liability recommendation.
- The Contractor will coordinate the activities of all their Work and will maintain effective communication with the Project Authority.
- The Contractor will provide the Work with the degree of care, skill, and diligence normally provided by contractors in the performance of comparable services in respect of projects of a similar nature to that contemplated by this SOW.

5.3. PPS is expected to provide appropriate background documents, data and information as requested by the Contractor. PPS is expected to inform the Contractor of any internal developments which may impact the financial or legal status of PPS and/or the non-pension benefits plans in order that we may provide appropriate consulting and perform our calculations correctly.

## **6. Deliverables**

6.1. The Contractor must provide a report for the actuarial valuation of the compensated absences liability by April 30, 2024 that would withstand an external audit, including:

- the recommended liability value to be recorded in the financial statements, in compliance with Canadian public sector accounting standards;
- the assumptions and sufficient information to support the actuarial valuation and liability value;
- the recommended frequency to perform an actuarial valuation of the sick leave liability.

6.2. The Contractor must demonstrate that at least one of its proposed resources has one of the following:

- Proof of membership as a Fellow in good standing of the Canadian Institute of Actuaries or Society of Actuaries for the length of the Contract; and/or
- Proof of authorization to append their names with the initials FCIA (Fellow, Canadian Institute of Actuaries).

The Contractor shall ensure that their membership(s) remain active and in good standing for the term of the Contract.

6.3. The deliverables will be submitted electronically to the Project Authority in the format determined by the Project Authority. The deliverables will be provided

based on timelines established by the Project Authority.

## **7. Location of Work and Travel**

- 7.1. The Work will take place primarily at the Contractor's premises. Some of the work will be performed on-site at PPS' premises or virtually. The Contractor's resource could be required to attend meetings on a regular and ongoing basis.
- 7.2. It is the responsibility of the selected Contractor to arrange for any travel and/or accommodations to attend these meetings in the Parliamentary Precinct.

## **8. Language of the Work**

- 8.1. This Project/Contract is designated as bilingual; therefore, the Contractor's team must be capable in working effectively in both official languages and the deliverables must be provided in English and French.

## **9. Security Screening Requirements**

- 9.1. PPS will perform site access security screening verification for reliability status.
- 9.2. The Contractor shall treat all information taken off-site as Protected B.
- 9.3. The Contractor must not distribute or remove any PPS information or assets from the work site(s) except where approved in writing by the Project Authority. All information provided to and developed by the Contractor will remain the property of PPS.

## **10. Schedule**

- 10.1. The following tentative schedule has been established for the implementation of this Project/Contract. The Contractor's detailed schedule should meet the tentative schedule or match as closely as possible.

<b>Tasks/Milestones</b>	<b>Time Frame or Start and End Dates</b>
<i>Contract Award</i>	21 calendar days from Contract award date
<i>Kick-off meeting</i>	30 calendar days from Contract award date
<i>Final Report</i>	April 30 of each year

## **11. Reporting and Communication**

- 11.1. At a minimum, the Contractor shall be responsible for facilitating and maintaining regular communication by email or via teams meeting with the

Project Authority, throughout the duration of the Project/Contract.

- 11.2. The Contractor shall meet with the Project Authority and project team as requested by the Project Authority, identify any real or potential risks and provide mitigation strategies.
- 11.3. In addition, the Contractor shall immediately notify the Project Authority of any issues, problems, or areas of concern in relation to any Work completed as they arise.

## **12. Performance Standards and Quality Assurance**

In providing the services described herein to PPS, the Contractor shall, at a minimum, conform to the following performance standards and quality assurance requirements:

### **12.1. Efficient time management**

1. The Contractor shall deliver the required services by the deadlines established in the Contract.

### **12.2. Quality Assurance**

1. The Contractor shall apply a rigorous quality assurance methodology to ensure the accuracy and quality of all deliverables and services provided.
2. All deliverables rendered are subject to inspection and acceptance by the Project Authority or a designated representative. The Project Authority reserves the right to verify the accuracy and completeness of all deliverables and services submitted by the Contractor. If the deliverables are not accepted by the Project Authority, the Contractor shall be responsible for making any modifications identified by the Project Authority prior to resubmitting the deliverable.
3. It is the responsibility of the Contractor, at all times, to conduct itself and to ensure the performance of its deployed resource(s) in accordance with the terms and conditions of the Contract, for the completion of all the Work.

## **13. Constraints**

- 13.1. The Work to be undertaken is to be treated with the strictest confidentiality. The Contractor must safeguard the information at all times by taking all measures reasonably necessary to secure it and protect its integrity and confidentiality.

## **14. Duration**

- 14.1. The duration of this Contract is for a period of three (3) years from the date of contract award, with two (2) one (1) year option periods to extend the term of the Contract:

- FY 2023/2024
  - FY 2024/2025
-



- FY 2025/2026
- FY 2026/2027 (option period)
- FY 2027/2028 (option period)

## **15. Payment Terms**

The Contractor shall invoice PPS upon satisfactory completion of the final report for each task.

The Contractor shall use the rates provided in their proposal as a basis for payment.

## **16. Administration Requirements**

### 16.1. Media Relations

1. The Contractor team shall not respond to requests for Project/Contract related information or questions from the media or any external agencies. Such inquiries shall be directed to the Project Authority.