

**DOCUMENTS REGARDING HIRING OF ACTUARIAL  
SERVICES**

**TO**

**DETERMINE RETIREMENT BENEFIT AND  
MEDICAL FACILITIES SCHEMES LIABILITIES OF  
THE UNIVERSITY OF AGRICULTURE,  
FAISALABAD**

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**UNIVERSITY OF AGRICULTURE, FAISALABAD**  
**(REQUEST FOR PROPOSAL)**  
**Tender No.100/2022**

1. The University of Agriculture, Faisalabad seeks Actuarial Services from qualified Actuarial Firms to assess and determine the Retirement Benefit Schemes liabilities and medical facility schemes to retired & current employees of the University of Agriculture, Faisalabad. Interested bidders may acquire the detailed bidding documents from Directorate of Procurement and Inventory Control. University of Agriculture, Faisalabad subject to payment of the cost of the printing Rs.500/- (as tender fee) to be deposited in the University Income Account (No.11-9/NBP, UAF Branch) and provision of the receipt thereof or download free of cost from [www.uaf.edu.pk](http://www.uaf.edu.pk).
2. **The bids shall be received in the Directorate of Procurement and Inventory Control University of Agriculture, Faisalabad (UAF) upto 12<sup>th</sup> September 2022 at 10:30 a.m. and opened on same date and venue at 11:00 a.m.**
3. The University of Agriculture, Faisalabad will not be responsible for any cost or expense incurred by the bidder in connection with the preparation or delivery of bids. In case of official holiday on the day of submission, the next day will be treated as closing date.

**DIRECTOR (DPIC)**  
**(For & On behalf of the Committee)**  
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## **I. Instructions to Consultants**

### **2.1 FORM OF BID AND THE BIDDING PROCESS:**

Bids will be evaluated in accordance with Lease Cost Based Selection. The bidding process will be as under:

- a. The bid shall comprise sealed envelope.
- b. The envelope shall be marked as proposal for actuarial services in bold and legible letters and also bear the submission address and the title of the Assignment.
- c. Bidders may request a clarification of any of the RFP documents not later than 7 days before submission date. Any request for clarification must be sent in writing or by standard electronic means (e-mail at [store\\_officer@uaf.edu.pk](mailto:store_officer@uaf.edu.pk)) to the address indicated in this RFP;
- d. The Proposal shall be prepared using the attached Standard Form. It shall include all costs associated with the assignment including (a) fees for consultancy services (inclusive of all applicable taxes), and (b) out-of-pocket expenses relating to the consultancy services. The offer shall be all inclusive for the deliverables.
- e. The proposal which meet all eligibility criteria as well as special provisions and deliverables laid down in this document shall qualify for consideration of bid price.
- f. If the Contract Offer is not accepted by the successful bidder within the validity period of 15 days, the Security deposit shall be forfeited. In such a case, UAF will either make the Contract Offer to the next highest scorer or re- initiate the procurement process through a fresh public advertisement; and
- g. The amount of the security deposit will be returned to the successful bidder six months after satisfactory completion /termination of the contract and after adjusting the dues, if any, payable by the bidder.

### **2.2 SCOPE OF WORK & COMPLETION SCHEDULE**

- a. Scope of work include reports for Pension, and medical schemes of the UAF employee for all forms of pension systems applicable whether Contributory Pension Funds or gratuities paid to employees. Scope of work also includes policy options for a new Solutions
- b. The assignment is required to be completed within three (3) months of issuance of notice to proceed by the UAF.

- c. The valuation methodology will conform to the requirements of the applicable professional standards including the disclosures required thereunder.
- d. Separate reports identifying actuarial valuation results for employees shall be presented by the Actuary.

### **2.3 FORMAT OF ALL SECURITIES REQUIRED:**

- a. Bidder shall submit as part of its bid, a bid security equal to Rs.20,000/- (2% of Estimated Cost or Rs.1000000) in favor of Director Directorate of Procurement & Inventory Control in the form of CDR. This security shall remain with the UAF after 6 months of final accepted report of Treasurer, UAF.
- b. The Actuary will also sign an undertaking in which confidentiality and completion of work will be ensured as per **Annex-A**.

## **II. Terms of Reference**

### **3.1. BACKGROUND**

The University of Agriculture, Faisalabad at present employs some **2500** individuals in a number of positions. At present there are **1613** Pensioners and the total pension bill is approximately Rs.1 billion per year.

The UAF employment is largely pensionable service in some form. The pension scheme for regular employee is a defined benefit scheme.

The University of Agriculture, Faisalabad requires the services of a qualified actuarial firm to carry out the actuarial work as detailed in the “Terms of Reference” section of this RFP.

### **3.2. DELIVERABLES:**

The expected deliverables will be in the shape of reports as under:

- 1) Reports containing Actuarial Assessment of Pension liabilities at June 30, 2021 separately for civil servants and all employees of Armed Forces. The reports must determine:
  - Present value of projected pension liabilities for at least 30 years at June 30, 2021.
  - Contribution rate to fund existing DB pension scheme.
  - Pension cash outflows including commutation for the next 30 years.
  - Sensitivity Analysis of PV of liabilities vis-à-vis key variables e.g. inflation, interest rates etc.
  - Recommendations for changes in existing DB Pension Scheme policy parameters

- to enhance financial sustainability.
- Funding strategy to fund existing pension scheme liabilities.  
Dilate on benefits of establishing in-house investment management function.
- Pension liabilities in line with International Public Sector Accounting Standard 39 (IPSAS-39).

2) Reports on current medical benefit scheme for current serving employee and post-retirement employee of UAF. The reports must determine:

- the actuarial accrued liability of the serving and Post-Retirement employee Medical Benefit Scheme arising from past service.
- cost (generally presented as contribution rate as % of eligible wages to fund future accrual of benefits) associated with future accrual of benefits.
- Sensitivity analysis for accrued current employee and post-retirement medical benefit scheme liabilities vis-à-vis key variables e.g. inflation, interest rates etc.
- benefit cash-flow projections over the next 30 years.
- accounting disclosures as per the requirements of IPSAS-39.

3) Report on policy options for a new options Pension Scheme for new hires in the University. The report must:

- Assess the possibility of replacing the existing DB pension scheme with a new DC pension scheme.
- discuss trends seen in pension reforms around the world including a more detailed review of recent reforms observed in the regional countries.
- Propose a design and architecture of the new DC pension scheme.
- Investigate the potential to transfer the delivery of new DC pension scheme to the other avenues as alternate of pensions.

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### **3.3. Eligibility Criteria for ACTUARY:**

1. Detailed profile of the Actuarial Firm showing experience of similar assignments in the public sector preferably with the Governments or Semi Governments at least two studies. (please attach order/contract)
2. Evidence of membership of the relevant Actuarial Society/Body. (please attach certificate)
3. Evidence of Registration with Income tax and Sales Tax or PST (if applicable) Authorities. (please attached certificate)
4. have at least 3 years' experience in handling actuarial analysis of employee benefit schemes (please attach registration of firm with actuarial body).

### III. Form of Contract & Payment Terms:

- 1) UAF shall enter into a lump sum contract with the successful bidder with payment to be made as under:

	<b>Report</b>	<b>Time for Submission</b>	<b>% Payment</b>
2	Submission of draft report of all deliverables	After two months of contract award	50%
5	Submission of final report of all deliverables	After one month from draft report	50%

- 2) The Treasurer will endorse the report for acceptance. In case of any discrepancy, the Vice Chancellor may decide and his decision will be final.
- 3) Payment will be made within 30 days after acceptance of report by the Treasurer.

### IV. Oversight and Reporting

1. The Actuary will report to the Treasurer on Actuarial Study.
2. The Treasurer will be responsible for overseeing day to day work of the Actuary.
3. Each deliverable submitted by the Actuary will be reviewed by the Treasurer.
4. Treasurer approval will be required for authorization of the payments as per agreed schedule of payments.

### V. Special Provisions

1. Proposals shall be addressed to the Directorate of Procurement & Inventory Control, University of Agriculture, Faisalabad (UAF) as per schedule.
2. Bidder shall submit original Proposal duly signed by the competent authority of firm.
3. Proposals shall remain valid for ninety (120) days after the submission date.
4. Affidavit on Rs.100/- stamp paper to the effect that the individual or firm is not blacklisted and has no dispute with any Government Organization shall be furnished.

5. The bidder shall be subject to taxes as per laws of Pakistan on amounts payable by the Client under the Contract. The bidder shall provide his Sales and Income Tax Numbers for deduction and payment of sales and income tax on his behalf. It will be bidder's responsibility to include all applicable Federal, Provincial or city taxes, fees and levies in the Financial Proposal.
6. Bid Price shall be denominated in Pakistan Rupees.
7. All pages of proposal documents shall be signed by the bidder or his authorized representative, who has been given power of attorney (be enclosed with tender documents, if any), along with attested copy of his CNIC.
8. Offer shall not be considered if:
  - a. Received without security deposit.
  - b. Received after the time and date fixed for its receipt.
  - c. The tender is unsigned.
  - d. The offer is ambiguous.
  - e. The offer is conditional.
  - f. The offer is from an individual or firm which is blacklisted, suspended or removed from the approved list.
- 9) No incomplete, supplementary or revised offer shall be accepted after opening of the tender.
- 10) Canvassing in any form by the Tenderer will lead to summary rejection of his tender.
- 11) Any eligibility criteria document is not attached or not fulfilled.
- 12) The bidder must quote his price only as per the bid price proforma of the bidding document (as per **Annex-B**). The price quoted should be inclusive of all kind of taxes and must be quoted in figure as well as in words.
- 13) All documents, reports, designs, research work, and all deliverables prepared by the consultant shall become and remain the property of the University.
- 14) Consultants shall bear all costs associated with the preparation and submission of their proposals and Contract negotiation. UAF is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.
- 15) Consultants shall provide professional and independent advice in the best interest of the UAF. Consultants have an obligation to disclose any actual or potential conflict of interest that impacts their capacity to serve the best interest of UAF, or that may reasonably be perceived as having this



effect. Failure to disclose such situations, as soon as the Consultant becomes aware of these, may lead to disqualification of the Consultant or termination of the Contract.

16) Consultants shall maintain confidentiality of data received and reports prepared and shall not divulge any information to any person.

## **VI. Facilities to be provided by the Client**

The University of Agriculture, Faisalabad will be responsible for providing required information, data and support for conducting actuarial valuations.

**CERTIFICATE**

1. Proposal duly signed must be furnished along with the following certificate: -

i. I/We hereby confirm to have read carefully all the terms & conditions of your Request for Proposal, due for opening after 15 days of publishing of advertisement for provision of Actuarial Valuation of Retirement Benefit and medical Schemes Liabilities of the UAF at June 30, 2021. In addition to the conditions we also agree to abide by all the special instructions mentioned in tender document. We also hereby categorically confirm that we/I are/am fully capable to provide services of actuary as laid down in the terms of reference.

ii. I/We accept that if the required Security Deposit is not furnished or my/our offer is found lacking in any of the requirements of the proposal, shall be liable to be ignored.

Signature: \_\_\_\_\_

Name & Address of Tenderer \_\_\_\_\_

Designation & CNIC No. \_\_\_\_\_

NTNGST No. \_\_\_\_\_

Date: \_\_\_\_\_

Official Stamp: \_\_\_\_\_

**WITNESS No. 1**

Signature: \_\_\_\_\_

Name \_\_\_\_\_

Full Address \_\_\_\_\_

CNIC No: Date: \_\_\_\_\_

**WITNESS No. 2**

Signature: \_\_\_\_\_

Name \_\_\_\_\_

Full Address \_\_\_\_\_

CNIC No: Date: \_\_\_\_\_

**BID PRICE PROFORMA – FINANCIAL PROPOSAL**

**NAME OF CONTRACT:**

Contract for provision of Actuarial Valuation of Retirement Benefit Schemes Liabilities of the Federal Government to be submitted to the **Directorate of Procurement & Inventory Control, University of Agriculture, Faisalabad (UAF)** as per schedule

<b>Sr. No.</b>	<b>Detail of services</b>	<b>Price (In Digit &amp; Words)</b>
1.	Actuarial Valuation of Retirement and medical Benefit Schemes Liabilities of the UAF	
	Total	

**Note:** The offer should be in Pak Rs.

Signature of the Bidder with stamp \_\_\_\_\_

Address: \_\_\_\_\_