UNIVERSITY OF BALOCHISTAN, QUETTA

REQUEST FOR PROPOSALS (RFP)

ENGAGEMENT OF ACTUARIAL/CONSULTING FIRM FOR CONDUCTING ACTUARIAL STUDY AND DESIGNING A SUSTAINABLE PENSION PRODUCT FOR REGULAR EMPLOYEES

RFP/Tender No.: ____________
Date of Advertisement: ____________
Closing Date & Time: ____________
Opening Date & Time: ____________

1. INVITATION TO BID

The University of Balochistan, Quetta invites Technical and Financial Proposals from reputed, qualified and experienced **Actuarial/Consulting Firms and/or Chartered Accountant Firms having demonstrable actuarial expertise and relevant experience** for conducting a comprehensive actuarial, financial and sustainability assessment and for designing an appropriate and sustainable pension product/scheme for the regular employees of the University.

The assignment shall cover assessment of existing and projected pension liabilities, actuarial valuation, determination of appropriate contribution rates, financial and investment structure, pension benefit design, governance framework, regulatory compliance and preparation of a detailed implementation roadmap.

The procurement shall be conducted in accordance with the applicable **PPPRA Rules and University of Baluchistan procurement procedures**.

2. OBJECTIVES OF THE ASSIGNMENT

The principal objectives of the assignment are to:

1. Assess the University's existing and projected pension liabilities.
2. Conduct an actuarial valuation of the existing pension obligations.
3. Assess the financial sustainability of the existing pension arrangements.
4. Develop alternative pension/product models suitable for the University.
5. Determine appropriate employer and employee contribution rates, where applicable.
6. Assess the impact of different pension models on employees and the University's finances.
7. Develop an appropriate investment and funding structure.
8. Recommend an appropriate governance and administrative framework.
9. Identify legal, regulatory, financial and operational requirements.
10. Prepare draft rules/regulations/SOPs required for implementation.
11. Develop a phased implementation plan and transition mechanism.

12. Provide recommendations for ensuring long-term financial sustainability of the pension arrangement.

3. SCOPE OF SERVICES / TERMS OF REFERENCE

The successful firm shall undertake, at minimum, the following activities:

3.1 Review of Existing Pension Arrangements

The Consultant shall:

- Review the University's existing pension rules, policies and practices.
- Review the applicable statutory, regulatory and governmental framework.
- Review existing pension expenditure and funding arrangements.
- Examine historical pension payments and trends.
- Identify existing pension liabilities and commitments.
- Review relevant audit observations and financial implications relating to pension obligations.

3.2 Collection and Analysis of Employee Data

The Consultant shall develop an appropriate employee/pensioner data template and analyze, inter alia:

- Number of regular employees;
- Age and gender profile, where relevant;
- Designation/BPS;
- Basic pay and pensionable pay;
- Length of service;
- Date of appointment;
- Expected retirement dates;
- Existing pensioners/family pensioners;
- Historical retirement trends;
- Existing pension benefits;
- Other relevant demographic and financial information.

The Consultant shall identify data gaps and clearly state assumptions where complete information is unavailable.

3.3 Actuarial Valuation

The Consultant shall conduct a comprehensive actuarial valuation of pension liabilities, including:

- Current accrued pension liabilities;

- Projected future pension liabilities;
- Expected retirement obligations;
- Family/survivor pension obligations, where applicable;
- Mortality and longevity assumptions;
- Salary escalation assumptions;
- Inflation assumptions;
- Discount rate assumptions;
- Employee turnover assumptions;
- Retirement assumptions; and
- Other relevant actuarial assumptions.

The report shall clearly disclose all assumptions, methodology and valuation techniques used.

3.4 Pension Product/Scheme Design

The Consultant shall design an appropriate pension product/model for regular employees.

The Consultant should evaluate and compare feasible alternatives, including, where appropriate:

- Defined Benefit model;
- Defined Contribution model;
- Hybrid model;
- Funded pension arrangement;
- Insurance/annuity-based arrangement; and
- Other legally and financially viable structures.

The final recommendation shall be supported by a comparative financial and actuarial analysis.

3.5 Contribution Structure

The Consultant shall determine/recommend:

- Employer contribution rate;
- Employee contribution rate;
- Required funding level;
- Initial capitalization requirement, if any;
- Future funding requirements;
- Contribution escalation mechanism;
- Treatment of existing employees;
- Treatment of new employees; and
- Treatment of employees approaching retirement.

3.6 Financial Sustainability Analysis

The Consultant shall prepare financial projections for at least **10, 20 and 30 years**, or such longer period as considered actuarially appropriate.

The analysis shall include:

- Annual contributions;
- Pension payments;
- Investment income;
- Administrative expenses;
- Fund balance;
- Funding gap/surplus;
- University financial exposure; and
- Long-term sustainability.

3.7 Scenario and Sensitivity Analysis

The Consultant shall conduct sensitivity analysis under different assumptions, including variations in:

- Salary growth;
- Inflation;
- Investment returns;
- Discount rates;
- Retirement age;
- Longevity;
- Employee growth;
- Contribution rates; and
- Pension benefit levels.

The Consultant shall identify the principal financial and actuarial risks under each scenario.

3.8 Investment Structure

The Consultant shall recommend an appropriate investment framework, including:

- Investment objectives;
- Permissible investment categories;
- Asset allocation principles;
- Risk-return framework;
- Liquidity requirements;
- Investment governance;
- Investment monitoring; and
- Risk management mechanisms.

Any proposed investment structure shall comply with applicable laws and regulatory requirements.

3.9 Governance and Administration

The Consultant shall propose a governance framework covering:

- Pension Fund/Trust structure, where appropriate;
- Roles and responsibilities of governing bodies;
- Fund management;
- Trustee/governance arrangements;
- Internal controls;
- Financial reporting;
- Actuarial review;
- Audit requirements;
- Investment oversight;
- Conflict-of-interest safeguards; and
- Accountability mechanisms.

3.10 Legal and Regulatory Review

The Consultant shall identify all relevant legal and regulatory requirements applicable to the proposed pension arrangement and provide recommendations for compliance.

Where required, the Consultant shall identify amendments, approvals, notifications or institutional arrangements necessary for implementation.

3.11 Draft Rules and Documentation

The Consultant shall prepare draft documentation required for implementation, including, as applicable:

- Draft Pension Scheme/Plan;
- Draft Pension Rules/Regulations;
- Contribution framework;
- Benefit structure;
- Governance framework;
- Investment policy;
- Fund management procedures;
- Administrative SOPs;
- Reporting framework; and
- Other documents reasonably required for implementation.

3.12 Transition and Implementation Plan

The Consultant shall develop a practical implementation roadmap covering:

- Preparatory actions;
- Employee communication;
- Data requirements;
- Funding arrangements;

- Governance establishment;
- Legal/regulatory approvals;
- Operational requirements;
- Technology/system requirements;
- Transition arrangements; and
- Proposed implementation timeline.

4. DELIVERABLES

The successful Consultant shall provide the following deliverables:

Sr.	Deliverable
1	Inception Report and Work Plan
2	Data Collection and Validation Report
3	Review of Existing Pension Arrangements
4	Actuarial Valuation Report
5	Existing & Projected Pension Liability Assessment
6	Alternative Pension Models/Options Paper
7	Recommended Pension Product/Scheme
8	Contribution & Funding Structure
9	Long-Term Financial Projections
10	Investment & Risk Management Framework
11	Governance & Administrative Framework
12	Draft Pension Rules/Regulations/SOPs
13	Risk and Sensitivity Analysis
14	Implementation Roadmap
15	Final Comprehensive Report and Executive Presentation

All reports shall be submitted in **hard copy and editable electronic format**, including Excel-based actuarial/financial projection models wherever applicable.

5. MINIMUM ELIGIBILITY REQUIREMENTS

The bidder shall:

1. Be a legally registered firm/company/partnership.
2. Have relevant actuarial/financial consulting expertise.
3. Possess demonstrated experience in pension, retirement benefit, actuarial valuation or similar assignments.
4. Have qualified professionals with appropriate actuarial/financial qualifications.
5. Have relevant experience with public-sector, universities, government organizations, pension funds, insurance companies or comparable institutions.
6. Be registered with the relevant professional/regulatory bodies, where applicable.
7. Be compliant with applicable taxation requirements.
8. Not be blacklisted by any government/public-sector organization.

9. Meet all applicable PPPRA and University procurement requirements.

Note: The Procuring Agency reserves the right to verify the credentials, experience and supporting documents submitted by the bidder.

6. REQUIRED KEY PERSONNEL

The bidder shall propose an appropriately qualified team, which may include:

- Team Leader/Lead Actuary;
- Qualified Actuary;
- Pension/Retirement Benefits Specialist;
- Financial/Investment Specialist;
- Legal/Regulatory Expert, where required;
- Data/Financial Modelling Specialist; and
- Other experts considered necessary.

The proposal shall include CVs, qualifications, professional memberships and relevant assignment experience of key personnel.

7. EXPERIENCE REQUIREMENTS

The bidder shall provide details of relevant assignments undertaken during the last **5–10 years**, including:

- Name of client;
- Nature of assignment;
- Scope of services;
- Contract value;
- Assignment period;
- Contact details of client/reference; and
- Completion certificate or satisfactory performance certificate, where available.

Preference may be given, subject to applicable procurement rules, to firms having demonstrated experience in designing or valuing pension schemes for public-sector organizations of comparable size.

8. TECHNICAL PROPOSAL

The Technical Proposal shall contain:

1. Firm profile;
2. Legal status and registration documents;
3. Relevant experience;
4. Similar assignments;

5. Understanding of TORs;
6. Proposed methodology;
7. Work plan and implementation schedule;
8. Proposed team structure;
9. CVs of key professionals;
10. Quality assurance arrangements;
11. Risk management approach; and
12. Any assumptions or clarifications considered necessary.

The Technical Proposal shall not contain financial information.

9. FINANCIAL PROPOSAL

The Financial Proposal shall be submitted separately and shall clearly indicate:

- Professional/consultancy fee;
- Applicable taxes;
- Out-of-pocket expenses, if any;
- Travel and accommodation costs, if applicable;
- Other reimbursable expenses;
- Total contract price; and
- Any other applicable charges.

The bidder shall provide a complete cost breakdown.

10. PROPOSED EVALUATION CRITERIA

Subject to approval of the Competent Authority and applicable procurement rules, the Technical Proposal may be evaluated on the following basis:

Criteria	Suggested Marks
Understanding of Assignment & TORs	10
Firm's Relevant Experience	20
Experience in Pension/Actuarial Assignments	20
Qualifications & Experience of Key Personnel	20
Methodology & Technical Approach	15
Work Plan & Deliverables	10
Presentation/Interview, if applicable	5
Total	**100**

A minimum qualifying technical score of **70%** may be prescribed, subject to the applicable procurement rules.

Only technically qualified bidders shall have their Financial Proposals evaluated.

Important: The final evaluation method, technical threshold, weightage and financial evaluation formula should be approved by the competent procurement authority before publication.

11. COMPLETION PERIOD

The assignment shall preferably be completed within **90–120 days** from the date of signing of the contract/issuance of Letter of Acceptance, or such period as may be approved by the University.

A detailed milestone-based work plan shall be submitted by the successful bidder.

12. PAYMENT TERMS

Payments shall be linked with satisfactory completion and acceptance of agreed deliverables.

A suggested structure is:

- **20%** – Upon acceptance of Inception Report;
- **25%** – Upon submission and acceptance of data/actuarial assessment;
- **25%** – Upon submission of draft pension model and financial projections;
- **30%** – Upon acceptance of final report, draft rules and implementation roadmap.

Final payment shall be subject to satisfactory completion of the assignment and all applicable tax deductions.

The final payment schedule should be aligned with the University's approved procurement/contract conditions.

13. CONFIDENTIALITY AND DATA PROTECTION

All employee, pensioner, salary, financial and actuarial information provided by the University shall be treated as strictly confidential.

The Consultant shall:

- Use the information solely for the assignment;
- Not disclose information to third parties without written authorization;
- Maintain appropriate data security;
- Return/secure University data upon completion; and
- Ensure that all personnel engaged on the assignment comply with confidentiality requirements.

14. OWNERSHIP OF REPORTS AND MODELS

All reports, actuarial calculations, financial models, projections, draft rules, methodologies developed specifically for the University and other assignment-related deliverables shall become the property of the University upon payment in accordance with the contract.

The Consultant shall provide editable Excel/Word files of all relevant models and documents.

15. CONFLICT OF INTEREST

The bidder shall disclose any actual, potential or perceived conflict of interest.

The University reserves the right to disqualify a bidder where a conflict of interest is established in accordance with applicable procurement rules.

16. PENALTY / LIQUIDATED DAMAGES

In case of unjustified delay in completion of the assignment, liquidated damages may be imposed in accordance with the contract and applicable procurement rules.

The detailed rate and maximum limit shall be specified in the final contract.

17. PERFORMANCE SECURITY

Where required under the applicable procurement rules, the successful bidder shall furnish a Performance Security in the prescribed form and amount within the stipulated period.

18. TAXES

All applicable federal/provincial taxes, duties, levies and withholding taxes shall be dealt with in accordance with the prevailing tax laws and regulations.

The bidder shall quote its financial proposal inclusive/exclusive of taxes as specifically required in the Financial Proposal format.

19. UNIVERSITY'S RIGHT

The University reserves the right to:

- Accept or reject any or all proposals in accordance with applicable rules;
- Cancel the procurement process;
- Seek clarification from bidders;
- Verify submitted information;

- Reject incomplete or non-responsive proposals; and
- Take any other action permissible under the applicable procurement rules.

No bidder shall have a claim for compensation solely on account of non-selection or cancellation of the procurement process.

20. PROPOSAL VALIDITY

The proposal shall remain valid for a period of **90 days** from the closing date, or such period as specified in the bidding document.

21. SUBMISSION OF PROPOSALS

The Technical and Financial Proposals shall be submitted in accordance with the prescribed **Single-Stage, Two-Envelope** procedure, where approved.

The Technical Proposal shall be placed in one sealed envelope and the Financial Proposal in a separate sealed envelope. Both envelopes shall be placed in a single outer sealed envelope clearly marked:

"PROPOSAL FOR ENGAGEMENT OF ACTUARIAL/CONSULTING FIRM FOR ACTUARIAL STUDY AND DESIGNING OF PENSION PRODUCT FOR REGULAR EMPLOYEES OF UNIVERSITY OF BALOCHISTAN"

22. CONTACT / ADDRESS

Treasurer
University of Balochistan, Quetta
Address: ______________________________
Telephone: ____________________________
Email: _________________________________

ANNEXURE-A

TECHNICAL PROPOSAL SUBMISSION FORM

[To be completed and signed by the bidder]

ANNEXURE-B

FIRM'S GENERAL INFORMATION

[Prescribed format]

ANNEXURE-C

RELEVANT EXPERIENCE

[Prescribed format]

ANNEXURE-D

DETAILS OF SIMILAR ASSIGNMENTS

[Prescribed format]

ANNEXURE-E

KEY PERSONNEL / CV FORMAT

[Prescribed format]

ANNEXURE-F

TECHNICAL PROPOSAL EVALUATION MATRIX

[Approved evaluation criteria]

ANNEXURE-G

FINANCIAL PROPOSAL FORM

Description	Amount (Rs.)
Professional Fee	
Applicable Taxes	
Reimbursable Expenses	
Other Charges	
Total Contract Price	

ANNEXURE-H

DRAFT CONTRACT AGREEMENT

[To be finalized by the University in accordance with applicable procurement rules.]