Terms of Reference (ToR)

DETERMINATION OF PENSION LIABILITY FOR

The University of Agriculture, Peshawar

The University of Agriculture, Peshawar
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TERM OF REFERENCE FOR ACTUARIAL EVALUATION OF PENSION SCHEME OF THE UNIVERSITY OF AGRICULTURE, PESHAWAR

1. Introduction

The University of Agriculture, Peshawar is a public sector university established under Govt. of Khyber Pakhtunkhwa Ordinance No.1 of 1981 and currently functioning under the Govt. of Khyber Pakhtunkhwa Act No. X of 2012.

The University is located in Peshawar with its sub campus namely Amir Muhammad Khan Campus at Mardan.

The University has a strength of 1002 regular in service and 381 retired employees. The number of employees may increase / decrease with the passage of time.

The University is partially sponsored by the Govt. of Pakistan through Higher Education Commission (HEC) of Pakistan and partially generates its own funds from admission/tuition fee etc.

2. Objective:

To determine the past and future service liability of the existing pension scheme based on actuarial valuation and advice financial management policy

3. Specific Job Requirement:

Carryout an actuarial valuation to:

(a) Determine long term actuarial cost of the existing pension scheme and advise different funding approaches considering the financial constraints and specific circumstances of the University of Agriculture, Peshawar.

(b) Advise the necessary policy, procedures, and formulation of constitutive document for the establishment of a pension fund
(c) Formulate investment policy, procedural documents, processes and investment performance measurement mechanism of the proposed pension fund

(d) Determination of projected pension payments including commutation for the next 30 years

(e) Projection of the pension scheme cash flows including the accumulation of pension fund.

4. Selection Criteria

i. Qualified Actuary (member of the Society of Actuaries, USA, or the Institute of Actuaries, UK or any recognized actuarial body) or individual(s).

ii. 10 year’s professional/demonstrated experience of carrying out actuarial valuations for pension schemes.

iii. Preference will be given to the actuaries/individual(s) having experience of working on pension schemes in the public sector / national pension scheme of the federal or provincial government.

iv. Should have NTN number.

v. The Firm/consultant shall submit a bid security at the rate of 2 percent of the consulting cost which shall be forfeited in case Firm/consultant refuses to sign the Contract agreement

vi. Incomplete and conditional bid will not be accepted.

vii. For this tender Khyber Pakhtunkhwa PPRA rule 2014 shall be adopted.

viii. Weightage of Technical and Financial proposals shall be 40% and 60% respectively.

ix. Technical evaluation of the firms shall be based on information provided in Technical Proposals.
x. As part of technical evaluation, bidders may be asked to conduct presentation / demonstration.

xi. Technical proposals will be opened before the bidders on the closing date of the bids as notified in the advertisement.

xii. On the basis of technical evaluation, the financial proposal of only technically responsive bidders will be opened in the presence of their representatives for which they will be conveyed the financial bid opening date.

xiii. Financial proposals of bids found technically non-responsive will be returned unopened and the concerned firm/individual will be informed accordingly.

xiv. Bid found lowest evaluated bid or highest score and technically compliance will be accepted.

xv. The university reserves the right to accept / reject wholly or partially any bid by assigning reason(s) at any stage of the tender process.

5. Timeframe

The draft report (hard and soft copies) as reflected under section 6 i.e. deliverables will be submitted within one month after acquiring relevant data and policy. The final report (hard and soft copies) after incorporating the comments on the draft Report will be submitted within one week of the receipt of comments from the University.

6. Deliverables

i. Constituted documents of the proposed pension fund (Trust Deed and Rules of the proposed Pension Funds).

ii. Actuarial Valuation Report containing past and future service liability, long term pension cost and future contribution rates, different funding approaches and projected future cash flows of the Pension Scheme and proposed Pension Fund.

iii. Fund management policy.