

Proposal Evaluation Form

Actuarial Services

FY 05 - 07

Responding Firm Name: Milliman

Reviewed By: All

Proposal Evaluation Summary:	Max Points Allowed	Points Awarded
I. Firms understanding of contract responsibilities	10	10
II. Approach & Work Plan	20	19
III. Firm's Qualifications	25	24
IV. Assigned Actuary's Qualifications	30	27
V. Cost	15	13
TOTAL	100	93
VI. Add 6% if a targeted vendor		
GRAND TOTAL		93

Comments/Questions:

[illegible]

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I. FIRM / ACTUARY EXPRESSED UNDERSTANDING OF CONTRACT RESPONSIBILITIES

Max Points Allowed	
<hr/>	
10	

Points
Awarded

CONSIDERATIONS:

How well does the proposal respond to the specifications of the RFP?

Is respondent's restatement of engagement scope & objectives consistent with RFP?

Are responsibilities and deliverables clearly stated?

If the responder's understanding of responsibilities differs from RFP, are those differences highlighted and rationale given?

TOTAL POINTS

$$\begin{array}{cc} \hline 10 & 10 \\ \hline \end{array}$$

Comments / Concerns / Questions:

Milliman has had this contract for the past 13 years. They understand the scope and magnitude of the work and would be able to pick up where they left off without delay. Milliman understands the challenges each of our funds face and have already had dialogue with the funds and legislature about some of those challenges.

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II. APPROACH & WORK PLAN

Max Points <u>Allowed</u>	Points <u>Awarded</u>
20	

CONSIDERATIONS:

Is the work plan realistic? Are timetables and tasks attainable, both the first year and subsequent years?

Can the respondent accommodate extemporaneous requests by the funds or LCPR?

Has the responder proposed an adequate number of personnel with appropriate skills to effectively provide expected contract deliverables?

If applicable, how well do proposed additional tasks or activities improve services?

Can the firm accommodate earlier deadlines?

TOTAL POINTS

<u>20</u>	<u>19</u>
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Comments / Concerns / Questions:

We have been working with Milliman to move deadlines up a couple of weeks. They
have been unable to do that in the past.

Milliman would not have to do a parallel review with last year's data, so will be able to
ramp up quicker than any other respondent.

Tom has quite a bit of time freed up to handle the Minnesota account, as his Board
duties ended in May.

Milliman already has data for the experience studies due in June 2005 and knows our
past experience.

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IV. ACTUARIAL FIRM QUALIFICATIONS

Max Points Allowed
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25

Points
Awarded

CONSIDERATIONS:

Are key personnel able to begin work 7/1/05?

Is firm stable? Good reputation? Experience working with large public pension plans?

Does the firm have a suitable organization structure to ensure completion of contract obligations if key personnel leave?

Is the firms' location suitable to promote timely exchange of information and service delivery?

Is the technological infrastructure adequate?

TOTAL POINTS

25	24
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Comments / Concerns / Questions:

Milliman is a large firm that specializes in actuarial work.

Milliman works with most of the states in one way or another.

Milliman requires limits on what they would pay in lawsuits over their work.

Milliman has worked with MN for 13 years and done work for MERF and several other agencies in the state. Because of that, however, they do not provide a fresh look at the challenges faced by each of our funds.

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**III. ASSIGNED ACTUARY'S
QUALIFICATIONS**

Max
Points
Allowed
30

Points
Awarded

CONSIDERATIONS:

Do the assigned actuaries have public plan experience? What's their reputation?

Do key staff assigned to this engagement have necessary skills and experience?

Do key staff appear to be "overbooked"?

Are there adequate backups in place?

Will the key staff be accessible for meetings?

Does the firm have necessary resources/expertise to provide advice & research to the funds regarding changes in the industry, and changes/developments in federal legislation? Does the firm play an active role in this arena?

TOTAL POINTS

30

27

Comments / Concerns / Questions:

Tom does an outstanding job, but plans to retire within the next 1 to 3 years.

Bill is not as strong as Tom in his presentation skills or ability to think on his feet.

If Tom retires, we would not be confident in the skills of remaining staff assigned to MN.

5 of the 6 actuaries assigned to the MN account are FSAs with lots of experience.

V. COST

Points
Awarded

Are there any "hidden costs" that could escalate?
Does the proposal include all costs, including
set-up fees, database maintenance, etc?

13

Hourly rates are among the highest of the 4 responders.