

**Proposal Evaluation Form  
Actuarial Services  
FY 05 - 07**

**Responding Firm Name:** Segal

**Reviewed By:** All

<b>Proposal Evaluation Summary:</b>	<u>Max Points Allowed</u>	<u>Points Awarded</u>
I. Firms understanding of contract responsibilities	10	<u>9</u>
II. Approach & Work Plan	20	<u>19</u>
III. Firm's Qualifications	25	<u>24</u>
IV. Assigned Actuary's Qualifications	30	<u>28</u>
V. Cost	<u>15</u>	<u>14</u>
<b>TOTAL</b>	<u>100</u>	<u>94</u>
VI. Add 6% if a targeted vendor		
<b>GRAND TOTAL</b>		<u>94</u>

**Comments/Questions:**

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# Proposal Evaluation Form

## Actuarial Services

### FY 05 - 07

## 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

10	9
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Comments / Concerns / Questions:

Segal has not worked with the State or the pension funds in the past, so might not know what they're getting into. They do, however, work with several states and understand the time and effort it takes to develop 14 actuarial valuations.

Segal seems to understand the basic activities and the various parties involved.

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## II. APPROACH & WORK PLAN

Max Points Allowed	20
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Points  
Awarded

### 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

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20

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19

Comments / Concerns / Questions:

Contract Deliverable Timeline looks reasonable and realistic.

Segal is a large firm and Leslie has 2 co-consultants to help with the work load.

Project Management Worksheet is complete.

Segal will first validate valuation results against Milliman 2003 results.

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**IV. ACTUARIAL FIRM  
QUALIFICATIONS**

Max  
Points  
Allowed  
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

Comments / Concerns / Questions:

Segal is a large actuarial firm with 65 years of experience. They presently work with several state pension plans. Leslie works with North Dakota and Nevada directly.

All actuarial services will be coordinated out of Denver.

Firm is 100% employee-owned. Leslie is one of the "owners."

Technological infrastructure is adequate. Backup is centralized through Iron Mountain.

Segal has a good reputation for quality work.

No limit on liability required.

Segal would give us a fresh look at each of the plans with possible new solutions to our various challenges.

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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

28

Comments / Concerns / Questions:

Leslie Thompson will be a hands-on supervising actuary. She has 25 years of experience and is well known in the industry.

Cathie Eitelberg is also very well known with lots of experience.

Leslie, Howard Rog and David Strom are all FSAs with 25+ years of experience.

Segal plays an active role in federal legislation.

Leslie will have to delegate some of her work with other funds in order to take on these new responsibilities...does she truly understand the work involved in this engagement?

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## V. COST

Max Points Allowed	
<hr/>	
15	

Points  
Awarded

### CONSIDERATIONS:

Is the proposal financially affordable?

How does the bid compare to other firms bidding on this contract?

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

## TOTAL POINTS

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15

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14

Comments / Concerns / Questions:

Lowest cost of the 4 responders.

Rate per hour for analysts is higher than the other 3 responders. Extra projects might get expensive based on the higher rates for worker bees.

Fixed bid includes 10 cost estimates per year. We'd like to take those cost estimates out of the fixed cost, and be charged for those estimates separately.

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**Responding Firm Name:** \_\_\_\_\_

<u>Preliminary Evaluation Criteria</u>	<u>Yes</u>	<u>No</u>
Bid received & time stamped by 3:00 pm on 6/4/04	_____	_____
Are there 7 copies of each proposal?	_____	_____
Is the transmittal letter submitted on firm letterhead?	_____	_____
Is a copy of the Human Rights Certificate included?	_____	_____
Is the offer binding for 120 days?	_____	_____
Are all 8 sections of the proposal included?	_____	_____
Is the vendor a "targeted" vendor?	_____	_____
Is the cost proposal separate from the rest of the proposal?	_____	_____
Is the lead actuary a Fellow of the Society of Actuaries or does the lead actuary have 15 years of service to major public pension funds?	_____	_____