



# State of New Jersey

DEPARTMENT OF THE TREASURY

DIVISION OF PURCHASE AND PROPERTY

PURCHASE BUREAU

P.O. BOX 230

TRENTON, NEW JERSEY 08625-0230

**T-2672**

**ACTUARIAL SERVICES: CONTRACTED ACTUARIAL CONSULTING FIRMS**

**10-x-20779**

## Award Summary

October 28, 2009

### I. **Compliance/Approval Requirements**

- a. All compliance and approval instructions may be found in the Request for Proposal (RFP) Section 3.0 Scope of Work.

### II. **Purpose**

- a. The purpose of this RFP was to solicit bid proposals from actuarial firms to perform actuarial consulting services and to prepare actuarial reports over a five (5) year period for the Division of Pensions and Benefits (DPB). It was the intent of this RFP to award a total of six (6) contracts to perform actuarial services. These contracts shall essentially function as a prequalification. All firms that are pre-qualified will be eligible to be engaged in pension or non-pension fund related actuarial projects as projects arise. In addition to pre-qualifying six (6) firms, it was the intent of this RFP to replace three (3) existing contracts that expired on June 30, 2009. Those contracts and contractors were as follows:

T0989 Actuarial Services – Public Employees Retirement System (PERS)

Contract Number – A51665

Contractor – Buck Consultants

T0990 Actuarial Services – Teachers Pension & Annuity Fund (TPAF)

Contract Number – A51666

Contractor - Milliman, Inc.

T0991 Actuarial Services – Certain Public Retirement Systems (Certain PRS)

Contract Number – A51667

Contractor – Buck Consultants

### III. **Award Method**

- a. The State has awarded this contract to the following contractors:
  - i. Buck Consultants (Awarded the PERS and Certain PRS contracts along with a Statewide Actuarial contract).
  - ii. Milliman, Inc. (Awarded the TPAF contract along with a Statewide contract).
  - iii. Cherion, Inc. (Awarded a Statewide contract).
  - iv. PriceWaterhouseCoopers, LLP. (Awarded a Statewide contract).
  - v. Hay Group, Inc. (Awarded a Statewide contract).
  - vi. Aon Consulting (Awarded a Statewide contract).
  
- b. For the contractors awarded Statewide contracts, the price lines are comprised of hourly rates associated with specific professional staff. There are eight (8) positions for each contractor and each of those positions has a specific hourly rate per year. This is a five (5) year contract, resulting in 40 hourly contract lines per contractor (PriceWaterhouseCoopers, LLC did not supply an hourly rate for Consultant Actuary). The hourly rates apply to all six (6) contractors.

In addition to the hourly rates referenced above, the Division of Pension and Benefits contracts (Buck Consulting and Milliman, Inc.) are comprised of price lines that represent specific tasks required of the contractor (Actuarial Services for Recurring Services (Section 3.8.1), Interfund Transfer (Section 3.8.2), and Triennial Experience Study (Section 3.7)) that are supported by the hourly rates.

### IV. **Directions for Use of Contract**

- a. The State contract Manager shall answer any questions or concerns about any aspect of the contract.