

REQUEST FOR PROPOSALS

INSURANCE BROKER

FOR

**PROPERTY, CASUALTY, FIDELITY AND OTHER
INSURANCE**

AND FOR

HEALTH AND OTHER RELATED INSURANCE



MUSCATINE COMMUNITY SCHOOL DISTRICT

RESPONSES DUE:

Wednesday, February 17, 2016, by 5:00 P.M. Central time

SECTION 1: INTRODUCTORY INFORMATION

The Muscatine Community School District (“MCSD”) is located in Muscatine, Iowa. It also includes the towns of Fairport and Montpelier, Iowa, as well as rural areas surrounding the City of Muscatine. The district consists of eight elementary (K-5) schools, two middles (6-8) schools, and one high school (9-12). As of October 1, 2015, Muscatine Community School District reported 5,401 students and had approximately 650 full-time and 540 part-time employees. MCSD is a local governmental unit of the State of Iowa, and is governed by the Muscatine School Board, consisting of seven persons. The District’s Superintendent is Dr. Jerald Riibe.

The following is a list of MCSD’s current portfolio of insurance coverages, and the approximate premiums paid:

Worker’s Compensation:	\$ 283,701
Commercial Insurance:	\$ 276,744
(property, casualty, fidelity bond, general liability, automobile, umbrella)	
Health:	\$5,118,368
Dental:	\$ 309,027
Disability:	\$ 61,980
Life Insurance:	\$ 31,768

Purpose of RFP: The purpose of this Request for Proposals (“RFP”) is to obtain statements of qualifications and proposals (“Proposals”) from qualified companies to be the insurance broker on behalf of MCSD for its various insurance policies. MCSD is seeking an insurance broker, or brokers, to provide services with respect to two categories of insurance coverage: (1) property, casualty, fidelity bond, general liability, automobile, umbrella, worker’s compensation, and related coverage, and (2) health, dental, life and disability (long-term and short-term) insurance coverage for MCSD employees. Respondents may submit proposals for either of the two categories of insurance, or for both categories.

Term of Engagement: It is anticipated that the selected firm or firms will be retained by MCSD for a period of three years, with up to two additional one-year options of MCSD, for a total of up to five years.

Proposal Due Date: Wednesday, February 17, 2016, by 5:00 P.M., Central time

Submission of Proposal: Four (4) copies of the proposal must be submitted by the Proposal Due Date noted above to:

Muscatine Community School District
2900 Mulberry Avenue
Muscatine, IA 52761
Jean Garner, Department of Finance

Proposals must be submitted in written or printed bound form, along with one electronic copy on a CD-ROM, in a sealed envelope marked "Proposal to Serve as Insurance Broker to MCSD" and shall include all information required pursuant to this RFP. The envelope shall be marked with the name of the firm submitting the Proposal.
(Neither faxed copies nor electronic submissions will be accepted.)

Anticipated Timetable for RFP and Proposals:	Release RFP Proposals Due Selection of Broker	January 28, 2016 February 17, 2016 February 22, 2016
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SECTION II. PROCEDURES AND INSTRUCTIONS

Questions: Questions regarding this RFP should be directed to MCSD in writing by mail, facsimile or electronic mail, as follows:

Jean Garner
Director of Finance
Muscatine Community School District
2900 Mulberry Avenue
Muscatine, IA 52761
(563) 263-7223 (phone)
(563) 263-7729 (fax)
Email: jean.garner@mcsdonline.org

Modifications to Proposals: A respondent may not modify or correct its Proposal any time after the Proposal Due Date, except in direct response to a request from MCSD for clarification.

Revisions to this RFP: If it becomes necessary to revise or clarify any part of this RFP, MCSD will provide an addendum to each firm receiving this RFP.

Expense of Preparation of Proposals: MCSD is not responsible for any expense incurred in preparing and submitting a Proposal or taking any action in connection with the selection process, or for the costs of any services performed in connection with submission of a Proposal.

Public Record and Requests for Confidential Treatment: MCSD may treat all information submitted by a broker as public information following the conclusion of the selection process unless the broker properly requests that information be treated as confidential at the time of submitting the proposal. MCSD's release of information is governed by Iowa Code Chapter 22. Brokers are encouraged to familiarize themselves with Chapter 22 before submitting a proposal. MCSD will copy public records as required to comply with the public records laws. Any request for confidential treatment of information must

be included in the transmittal letter with the broker's proposal. In addition, the broker must state the specific grounds in Iowa Code Chapter 22 or other applicable law which support treatment of the material as confidential. Any proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information. If the broker designates any portion of the proposal as confidential, the broker must submit one copy of the bid proposal from which the confidential information has been excised. This excised copy is in addition to the number of copies requested in section 1 of this RFP. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible. MCSD will treat the information marked confidential as confidential information to the extent such information is determined confidential under Iowa Code Chapter 22 or other applicable law.

Reservation of Rights:

MCSD reserves the right to conduct any investigation of the qualifications of any firm that it deems appropriate, negotiate modifications to any of the items proposed in the Proposal, request additional information from any firm, reject any or all Proposals, and waived any irregularities in any Proposal. MCSD retains the right to negotiate the commission schedule, or related compensation, payable to a broker in connection with this engagement. The engagement described in this RFP is not necessarily exclusive and MCSD expressly retains the right at any time to retain any other firm to provide the services described herein, including obtaining coverage directly from providers, and to terminate any firm's position as Broker or provider at any time without violating the engagement contemplated by this RFP.

Visits and Interviews:

All firms responding to this RFP must be prepared to schedule a visit to their offices or to another location, including MCSD's offices, upon request by MCSD.

Selection Process:

MCSD anticipates selecting one or perhaps two respondents to this RFP. One broker may be selected for both of the categories of insurance defined to on page 2 above, or two brokers may be selected (one for each category). After selection, the selected broker or brokers will each assess MCSD's insurance needs and provide recommendations regarding the appropriate types of insurance for MCSD, the levels of coverage necessary to protect MCSD from reasonable risks, the levels of deductible for each policy to provide the best balance of risk limitation and lower premium and such other factors as the broker shall recommend. MCSD will then determine which of those recommendations to accept and develop the coverage package it wishes to obtain. Each of the selected brokers will then approach the insurance markets to obtain bids from insurers and present those bids to MCSD which will include full disclosure of the fees

and commissions payable to the broker in connection with the policy. MCSD will allocate overlapping markets among the selected brokers, to the extent necessary and appropriate.

Selection Criteria for Brokers: The selection of respondents will be based on multiple factors including:

1. The personnel assigned to MCSD's account;
2. The firm's experience with similar governmental institutions;
3. The financial strength and protection offered by each respondent;
4. Demonstrated access to multiple carriers;
5. Availability of claims personnel and technology available to assist MCSD;
6. References provided to MCSD;
7. Demonstrated understanding of the scope of services sought;
8. MCSD's interaction with representatives of the selected firm(s) during the assessment process; and
9. Such other factors as MCSD may deem appropriate after completing its review of the proposals.

SECTION III. SCOPE OF SERVICES

As indicates above, MCSD is seeking proposals for an Insurance Broker for two categories of insurance: (1) property, casualty, fidelity bond, general liability, automobile, worker's compensation, umbrella and related insurance coverage ("Property, Liability, and Related Coverages"); and (2) health, dental, and disability (long-term and short-term) insurance coverage for MCSD employees. Respondents may submit proposals for either of the two categories, or for both of them. If proposals are submitted for both categories, the proposal for each category should be submitted separately, and clearly labeled as to which category of insurance is involved. The scope of services for each category is different, as indicated below.

A. Scope of Services for Property, Liability, and Related Coverages. For this category of coverage, the Insurance Broker will be expected to:

- (1) Assign experienced staff immediately upon proposal acceptance to assess insurance needs and provide recommendations regarding the appropriate types of insurance for MCSD, the levels of coverage necessary to protect MCSD from reasonable risk, the levels of deductible for each policy to provide the best balance of risk limitation and lower premium and such other factors as the broker shall recommend.
- (2) Based on the insurance coverage selected by MCSD, organize, develop and present to markets MCSD insurance coverage requirements and obtain bids from responsible insurers for that coverage. Evaluate those bids and present to MCSD the package of insurance policy terms, conditions and premiums that best reflects the goals and objectives of MCSD.

- (3) Represent MCSD, as directed, in any negotiations with insurers or prospective insurers and other parties regarding insurance matters.
- (4) Administer claims submittals, if any, from MCSD in a manner best representing the interests of MCSD.
- (5) Be responsible for notifying MCSD of invoicing or premiums for all outstanding policies to assure that no policy lapses inadvertently because MCSD is unaware that an invoice is due.
- (6) Meet with MCSD at least semi-annually to review the outstanding coverage of MCSD, assure MCSD maintains appropriate levels of insurance, and notify MCSD of any new developments in the industry or markets generally that affect MCSD in any way.
- (7) Solicit quotes from multiple insurers at the time of any renewal upon request of MCSD.
- (8) Provide MCSD with an annual report within 45 days of the end of MCSD's fiscal year, detailing a schedule of the policies in force, the coverage amounts, deductible amounts, premiums paid and fees and commissions (including bonuses or other supplemental, volume or loss-related commissions or payments) received by the Insurance Broker in connection with each policy.
- (9) The primary account representative and other account team members for the Insurance Broker shall be reasonably available to MCSD and its staff to address questions related to this account.
- (10) Notify MCSD of any risk management or loss control services available through your firm (exposure identification, safety or OSHA inspections, loss prevention, safety training, etc.), and how you are compensated for such services.
- (11) Provide such other services related to the insurance coverage as MCSD may reasonably request.

B. Scope of Services for Health, Dental and Related Coverages. The services detailed below are those services expected to be provided by the broker pertaining to health and dental coverage.

- (1) Assist in Affordable Care Act, COBRA, HIPAA, DOL, and ERISA compliance and reporting, to include Summary Plan Descriptions.
- (2) Act as a technical resource and provide periodic updates on legislative developments and emerging trends.

- (3) Evaluate in-house administration procedures, including recommendations for improving services and efficiency through the use of technology.
- (4) Apprise MCSD of local and national trends and innovative ideas, and recommend new products, programs and services to ensure a competitive benefits plan.
- (5) Review and analyze claims experience data, claims service, efficiency and accuracy of claims administration to ensure that MCSD is receiving optimum service and benefits from all carriers and vendors.
- (6) Evaluate plan design in light of industry trends and labor market conditions, claims cost trends, alternative delivery systems and legal requirements. Evaluate eligibility, cost-sharing and benefit structure and network savings.
- (7) Review on-going employee communications program, including a review of booklets, announcement materials and benefit statements.
- (8) Assign experienced staff immediately upon proposal acceptance to assess insurance needs and provide recommendations regarding the appropriate types of insurance for MCSD, the levels of coverage necessary to protect MCSD from reasonable risk, the levels of deductible for each policy to provide the best balance of risk limitation and lower premium and such other factors as the broker shall recommend.
- (9) Based on the insurance coverage selected by MCSD, organize, develop and present to markets MCSD insurance coverage requirements and obtain bids from responsible insurers for that coverage. Evaluate those bids and present to MCSD the package of insurance policy terms, conditions and premiums that best reflects the goals and objectives of MCSD.
- (10) Represent MCSD, as directed, in any negotiations with insurers or prospective insurers and other parties regarding insurance matters.
- (11) Be responsible for notifying MCSD of invoicing or premiums for all outstanding policies to assure that no policy lapses inadvertently because MCSD is unaware that an invoice is due.
- (12) Meet with MCSD at least semi-annually to review the outstanding coverage of MCSD, assure MCSD maintains appropriate levels of insurance, and notify MCSD of any new developments in the industry or markets generally that affect MCSD in any way.
- (13) Solicit quotes from multiple insurers at the time of any renewal upon request of MCSD.

- (14) Provide MCSD with an annual report within 45 days of the end of MCSD's fiscal year, detailing a schedule of the policies in force, the coverage amounts, deductible amounts, premiums paid and fees and commissions (including bonuses or other supplemental, volume or loss-related commissions or payments) received by the Insurance Broker in connection with each policy.
- (15) The primary account representative and other account team members for the Insurance Broker shall be reasonably available to MCSD and its staff to address questions related to this account.
- (16) Notify MCSD of any risk management or loss control services available through your firm (exposure identification, loss prevention, etc.), and how you are compensated for such services.

SECTION IV: STRUCTURE OF RESPONSE

- A. MCSD wishes to consider Proposals in a consistent and easily comparable format as established in this RFP. Proposals not organized as set forth in this RFP may, at MCSD's discretion, be considered non-responsive. Do not refer to other parts of your Proposal in lieu of answering a specific question. Do not provide references to filings or forms publicly available, including on the firm's website, in lieu of providing specific information in the Proposal.
- B. Each Proposal shall include a transmittal letter signed by an authorized representative of the firm. In the transmittal letter, the firm shall certify (i) that no elected or appointed official or employee of MCSD is financially interested, directly or indirectly, in the performance of the services specified in the RFP, (ii) that the information included in the Proposal is true and correct to the best of its knowledge, and (iii) that the person signing the transmittal letter is authorized to execute the Proposal on behalf of the firm.
- C. Proposals should be organized in the same manner as the individual information request contained in Section V: Proposal Details. Responses to each lettered question shall begin on a separate page (e.g., answers to question B should begin on a separate page from the response to Question A).
- D. Exhibits containing additional information may be attached to provide a more detailed response to a question, but only if clearly identifiable as a response to a specific question.

SECTION V: PROPOSAL DETAILS

Firms responding to this RFP should prepare clear and complete responses to each of the following questions and information requests. Brevity and clarity of responses will be appreciated.

- A. Location and Personnel. List the location of your firm's main office and the locations of offices in the State of Iowa. Provide the address of the office location that will service MCSD. Identify the person directly responsible as the primary representative on behalf of MCSD and provide contact information for that person and include a brief description of the representative's background, experience and qualification, as well as an explanation of the representative's role and responsibilities for the firm. Provide a brief overview of other representatives of the firm that will be assigned to MCSD's account, their roles and responsibilities and their background experience.
- B. Firm Overview. Provide an overview of the firm, including the full legal name of the institution, state of organization and supervisory and regulatory authorities that oversee the institution. Provide a summary of the ownership and management of the firm. Describe any significant changes in the management and/or structure of your firm, including mergers that have occurred during the past three years. Does your firm foresee or anticipate any organizational changes in the next 24 months?
- C. Volume of Business. Provide a summary of the firm's premium volume for each of the past three years by the following categories, to the extent the firm's Proposal includes such categories: property and casualty, fidelity bond, general liability, umbrella and automobile usage, health and dental, and disability. If the office that will service the MCSD account is a branch or subsidiary of a national or regional firm, the above information should be provided for both the office providing services to MCSD and the entire firm.
- D. References. Provide a list of at least three clients with insurance needs similar to MCSD. Describe your firm's specific experiences providing services to each of those clients. Describe your experience, if any, providing insurance brokerage services to school districts. Identify ways in which you added unique value or problem solving to any of the client accounts. Provide contact information to enable MCSD to contact those accounts as references.
- E. Financial Position. Provide the most recent annual financial statement of the firm (audited preferred). Describe the firm's errors and omissions insurance, including The coverage amount, any deductible amounts and the provider.
- F. Customer Support. Describe and discuss your staff available to support MCSD. How much of that staff is located in the state of Iowa? How many dedicated claims support staff does the firm maintain? How many claims support staff are located in the office that will service MCSD? Identify the average number of claims support staff per customer account and the average number of claims handled by each claims support staff member each year. Describe how your firm monitors insurer solvency and steps it would take in the event an insurer's solvency was weak or deteriorating or their rating downgraded.

- G. Legal, Regulatory and Ethics Actions. Provide a summary of any litigation, arbitration and regulatory proceedings, pending, adjudicated or settled that your firm has been subject to within the last three years involving services your firm provided as an insurance broker. Please describe each regulatory proceeding in detail and any litigation or arbitration proceeding resulting in judgments, settlements or damage claims (for those matter not yet resolved) in excess of \$50,000.
- H. Scope of Service. Respond to each of the Scope of Services in Section III and indicated whether or not your firm can provide those services and describe the process by which you would provide those services. Provide a detailed explanation of any service described in Section III the firm will not or cannot provide. As a part of your discussion of the assessment of MCSD's insurance needs, describe any loss prevention, loss control and related services you provide and any cost or risk analysis you offer. Describe any additional services you would provide or that you believe are necessary to the engagement described in this RFP.
- I. Access to Insurance Markets. Provide a list in order of preference from most to least preferred of the insurance companies or markets you would seek to access on behalf of MCSD for each of the following:
- Property and Casualty
 - Fidelity Bond
 - General Liability
 - Umbrella
 - Automobile Usage
 - Health and Dental
 - Disability
 - Life Insurance

Identify those insurance companies or markets on the list, if any, which will submit bids through only one broker.

- J. Licenses. Provide evidence that the broker and persons performing the work for MCSD maintain all Iowa licenses in order to broker the insurance sought pursuant to this RFP.
- K. Conflicts of Interest. Provide a statement disclosing: (i) any current or proposed business transaction between respondent and any MCSD Board member, officer, or employee (attach list); and (ii) any other conflict or potential conflict or claim of conflict of interest that may exist between respondent and any MCSD member, officer, or employee (attach list). Identify any preferential or other relationship with insurers that may influence any recommendations you provide to MCSD.

- L. Co-Broker. If your firm will utilize the services of a co-broker or sub-broker, identify the firm or firms that will provide those services, describe the specific services to be provided by such broker, how fees and commissions will be allocated, and your firm's historic relationship with each co-broker or sub-broker.
- M. Selection Process. Provide your assessment of the Selection Process and Selection Criteria outlined in Section II of this RFP. Are there any reasons MCSD should consider a different process or criteria? If so, please describe the recommended approach and the rationale for that approach.
- N. Rationale for Selection. Present the case for the selection of your firm as MCSD's insurance broker. Please do not repeat the information provided above. Instead, use this opportunity to share with MCSD the unique qualifications, experience, approach, background or other characteristics of your firms that make it the best choice for MCSD. Among other things, these characteristics may include the firms' presence in the Iowa marketplace, special services your firm provides that others do not, particular insights into MCSD that will enhance your firm's ability to serve MCSD, special technologies offered by your firm or other characteristics of your firm that make it MCSD's best choice. Please include any suggestions for innovative ideas or suggestions for ways to provide the Scope of Services in a convenient, efficient and cost-effective manner.
- O. Cost. Describe the compensation structure proposed by you, including all bases for compensation (i.e., commission, fee, travel charges or other expenses passed on to MCSD). Please provide a pricing summary showing all rates, commissions, fees and other expenses, and a total price for the services proposed.

Thank you for reviewing and considering this RFP.