



*Engaging communities. Empowering individuals.*

Action Pathways, Inc.

# Request For Proposal (RFP) for Insurance Broker Services

12/21/2017



**Action Pathways, Inc.  
Invitation to Bid  
(This is not an order)**

1. Action Pathways, Inc. (API) is a non-profit organization in Fayetteville, NC founded in 1965 and is a 501(c) 3 organization.
2. Unless otherwise stated, the unit price shall be the net price. Separate unit and total prices must be shown if applicable.
3. Responses must be received on or before **Friday January 26, 2018 by 2:00 PM (No further proposals will be considered after that)** in the Accounting Office, Action Pathways, Inc. 316 Green Street, PO Box 2009 Fayetteville, NC 28302.
4. If sending hard copy responses; please submit one (1) original and two (2) copies to: Kimberly C. Stafford, CFO Action Pathways, Inc. PO Box 2009 Fayetteville, NC 28302 or hand delivery to 316 Green Street, Fayetteville, NC 28301
5. If sending responses electronically (preferred) ; please submit one (1) copy to [kcstafford@actionpathways.ngo](mailto:kcstafford@actionpathways.ngo) and [karen.walker@actionpathways.ngo](mailto:karen.walker@actionpathways.ngo)
6. For questions/information please email Kimberly Stafford, CFO [kcstafford@actionpathways.ngo](mailto:kcstafford@actionpathways.ngo) and Karen Walker, Accounting Manager [karen.walker@actionpathways.ngo](mailto:karen.walker@actionpathways.ngo); your email will be answered within two business days.
7. API reserves the right to waive informalities or irregularities, to reject any or all bids received, to accept the bid deemed best for the organization, and/or request new bids if necessary.
8. Reference: Insurance Broker Services RFP # 2018 - IBS
9. Any objection to the above conditions must be clearly indicated in the proposals.
10. In compliance with this RFP and to all the conditions imposed herein, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

## **I. PURPOSE**

API is seeking proposals for an Insurance Broker (hereinafter “bidder”) to advise API on its insurance needs and obtain the appropriate insurance coverage, including but not limited to Property, Casualty, Automobile, Workers’ Compensation, Directors & Officers Liability, Crime & Employee Dishonesty, Student Accident, Flood, Umbrella and Fiduciary Liability protection. The API does not intend for insurance premium quotations to be part of the proposal submission. The selected broker will be required to obtain renewal quotes for policies as they expire, with the majority of the renewals being effective on April 1st, 2018.

## **II. AGREEMENT PERIOD**

The term of this agreement shall be for one (1) year duration with two (2) optional, successive, one (1) year renewals.

## **III. ACTION PATHWAYS, INC. (API) BACKGROUND**

API is a 501(c) (3) private non-profit corporation and the designated Community Action Agency for Cumberland and Sampson Counties in North Carolina, providing leadership, support and advocacy to empower low-income residents of Cumberland and Sampson Counties, NC to become self-sufficient and self-determined. API is the Head Start grantee for Cumberland County, NC spanning a period of 46 years.

API serves as Cumberland County’s and Sampson County’s premier non-government human service organization that promotes self-sufficiency and brings innovative ideas to the problem of poverty throughout the city. API operates a wide array of special activities and offers many supportive and instructional services including:

- Head Start, Early Head Start, and other childcare programs that make measurable differences in the education of our youngest
- Training programs designed to prepare participants for skilled employment
- Weatherization services to make homes more energy efficient
- Affordable and safe rental properties
- Housing Counseling services that help alleviate predatory lending
- Job placement and career development services

## IV. SCOPE OF WORK

### 3.1 SPECIFICATIONS:

The selected bidder shall provide, at a minimum, the following services:

- 1) Act as the liaison and advocate for API with insurers, gathering and presenting required data and applications from the API Accounting Office for the purpose of procuring insurance coverage.
- 2) Obtain quotes and place coverage for Property, Casualty, Auto, Workers' Compensation, Directors and Officers, Crime & Employee Dishonesty, and Fiduciary Liability insurance, on the most favorable terms to API, as current policies expire. Broker must have ability to bind "difficult to place" coverages including but not limited to: Auto coverage for bus fleet and tractor units; provide Class Code comparisons and develop customized class code options that can stand up to audits.
- 3) Provide summary of quotations from all insurance carriers solicited on behalf of API, including comparative data for expiring policies, and make recommendation on the placement of the coverage in question.
- 4) Provide consultation and advice on insurance issues to the Chief Financial Officer, and, as applicable, to the API Board of Directors and API Management. Successful Broker must be able to perform for the following lines of coverage:
  - a. Property: provide actuarial services including Probable Maximum Loss reports as well as formal ITV reports
  - b. Provide in-house Flood Insurance seminars for employees as well as ability to re-class those existing policies.
  - c. Casualty: provide in-house training and seminars on Contractual Liability, Workers Compensation fraud, employment practices liability, and sexual abuse & molestation coverage.
  - d. Auto: Auto coverage for bus fleet and tractor units, familiarity with Pre-hire techniques and driver selection methods; Truck Route Bonds.
  - e. Cyber: broker must be an expert in cyber liability with emphasis on credit counseling.
  - f. Successful Broker MUST have in-house Loss Control specialist and 24/7 on-line Risk Management Center available through broker web site.
  - g. Executive Liability: broker must be able to fully explain, educate, and develop full program options.

- 5) Attend meetings of the Board of Directors and other Board Committees at the request of the Chief Financial Officer.
- 6) Verify the accuracy and adequacy of existing insurance policies including policy limits, endorsements, exclusions, and premiums, noting in writing any variations from the previous year or from the required specification of the current year and make written recommendations on any changes, revisions or additions necessary.
- 7) Issue and review insurance binders, certificates and other insurance documentation in a timely manner.
- 8) Facilitate accurate and timely payment of insurance premiums and assist API with the resolution of any payment related issues.
- 9) Evaluate and monitor carrier stability, solvency and service record on an ongoing basis, and advise API of any changes that may occur during the year. Also provide API with the A.M. Best insurance rating and applicable financial strength rating of all insurance carriers approached.
- 10) Assist API in allocation of insurance premiums among its operating units
- 11) Provide advice regarding risk management and insurance coverage issues.
- 12) Facilitate quarterly meeting with representatives of the Workers' Compensation carrier to review new claims, resolution of existing claims, and loss reserves.
- 13) Have personnel available to answer insurance related questions.
- 14) Advise API of any changes or developments in the insurance market that would affect API's risk or insurance coverage.
- 15) Perform other services customarily expected of an insurance broker for the duration of the agreement.
- 16) The foregoing represents the minimum services required of the bidder retained by API. Any bidder who desires to provide services in addition to those listed above as part of its proposal shall submit a description of such additional services with its proposal.

## V. TIMETABLE

RFP sent to brokers	December 21, 2017
RFP responses due	January 26, 2018
Interviews (if needed)	prior to February 9, 2018
Final Broker selected; notified and approved	February 16, 2018
All insurance coverage in place	April 1, 2018

## VI. PROPOSAL REQUIREMENTS

### 5.1 GENERAL REQUIREMENTS:

In order to be considered for selection, bidders must submit a complete response to this RFP in a package clearly marked "Insurance Broker Services RFP #2018 - IBS". One (1) original and two (2) copies of each proposal must be submitted to API. Email submissions to [kcstafford@actionpathways.ngo](mailto:kcstafford@actionpathways.ngo) and [karen.walker@actionpathways.ngo](mailto:karen.walker@actionpathways.ngo) will be accepted. No other distribution of the proposals shall be made by the bidder.

**NOTE: A bidder may submit no more than one (1) proposal in response to this RFP.**

### 5.2 SPECIAL REQUIREMENTS:

- 1) Proposals shall be signed by an authorized representative of the bidder. All information requested should be submitted. Failure to submit all information requested may result in the organization requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by API.
- 2) Proposals should be prepared simply, as thorough and detailed as possible providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP so that API may properly evaluate bidder's capabilities to provide the required product. Emphasis should be placed on completeness and clarity of content.

All responses are to be submitted on standard 8.5" X 11" paper in 12 point font minimum type. Responses should not be double-sided. Bidders shall respond to the items in the order they are shown in the RFP. Proposals should describe the most favorable terms and shall remain firm for 90 days from the bid date.

- 3) Required Attachments (must be submitted to API with the bidder response):
  - a. Current license to practice in the North Carolina.
  - b. Detailed resume illustrating the qualifications and experiences of all primary personnel that will be involved in handling the API account.
- 4) All pages of the proposal should be numbered and bidders are required to submit the following items as a complete proposal in the following order:
  - a. Vendor identification form included as an attachment (Appendix A) to the RFP.
  - b. Table of Contents which cross-references the RFP requirements. Information which the bidder desires to present that does not fall within any of the requirements of the RFP should be inserted at the appropriate place or be attached at the end of the proposal and designated as additional material.
  - c. Introduction letter (optional)
  - d. Firm description or brief history
  - e. Questionnaire – included as an attachment (Appendix B) to the RFP
  - f. Prospective markets list
  - g. List of at least three present or recent non-profit clients of bidder, specifying premium volume and length of time the accounts were handled.
  - h. List of at least three comparable work/client references with contact person's name, address, telephone number, and e-mail address. References should be clients similar to API in size and type
  - i. Complete price form included as an attachment (Appendix C) to the RFP. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
  - j. Print and sign the Proposer's Declaration (Appendix D)

- 5) Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.
- 6) Ownership of all data, materials and documentation originated and prepared for this RFP by any bidder shall belong exclusively to API.

**VII.EVALUATION CRITERIA**

All proposals will be reviewed to determine if they adhere to the format and instructions of the RFP, meet the criteria indicated below and conform to the objectives and requirements of the RFP. An evaluation team will evaluate the merit of proposals received in accordance with criteria outlined in this RFP. Incompleteness, significant inconsistencies or inaccuracies found within a response may result in a reduction of the evaluation rating. API reserves the right to a) waive variances or reject any or all proposals and b) request clarifications from any or all respondents. Further, API reserves the right to reject any or all proposals and to waive informalities and minor irregularities and to accept any portion of a proposal or all items proposed if deemed to be in the best interest of API. Proposals shall be rejected if they: 1) are received after closing date and time, 2) contain alterations not initialed by an authorized official, 3) are not meeting or taking exception to required terms and conditions, 4) are not meeting specifications.

The following criteria and points will be utilized in the evaluation of the proposals:

Broker/Non-Profit Experience	up to 20 points
Market Access	up to 20 points
Services Offered (including additional services)	up to 20 points
Price/Fee Proposal	up to 20 points
Overall Quality of Proposal and Conformance with Requirements	up to 15 points
<u>Minority ownership/participation/local</u>	<u>up to 5 points</u>
Maximum Number of Points Attainable	100 points

Final approval of the bidder recommended by the selection committee will be approved by the Chief Executive Officer. By submitting a proposal, bidder agrees that the decision of the Chief Executive Officer is final and not open to protest or appeal.

**VIII.GENERAL TERMS AND CONDITIONS**

- 1) Additions and Deletions of Service:API reserves the right to add and/or delete services to any agreement entered into with bidder. Should a service requirement be deleted,



payment to the bidder shall be reduced proportionally to the amount of service reduced in accordance with the bid price. Should additional services be required from the agreement, prices for such additions will be negotiated between the bidder and API. The agreement may be terminated by either party at any time upon ninety (90) days written notice from the terminating party. Cancellation of the agreement by either party shall in no way relieve the bidder of its responsibility to complete any and all work in progress at the time of the notice and for which payment has been received by the bidder.

- 2) Licenses: By submitting a proposal, bidder certifies that it has procured, and shall maintain in full force, all permits and licenses required to conduct business lawfully and that it shall remain informed of and in compliance with all federal and local laws, ordinances and regulations that affect in any manner bidder's fulfillment of the agreement.
- 3) Anti-Kickback Provision: This agreement is subject to the provisions of the Anti-Kickback Enforcement Act of 1986. By agreeing to this binding agreement, the transacting parties (1) certify that they have not paid kickbacks directly or indirectly to any employee of API for the purpose of obtaining this or any other agreement, purchase order or agreement from API and (2) agree to cooperate fully with any Federal Agency investigating a possible violation of the Act.
- 4) Non-Collusion/Fraud: By submitting a proposal, bidder warrants and certifies that neither bidder nor its employees or associates has contacted any unauthorized API employee, officer or elected official regarding the contents of this solicitation or the solicitation process. Bidder further warrants and certifies that neither bidder nor its employees or associates has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in response to this solicitation. If at any time it shall be found that bidder or its employees or associates has, in the presenting of its proposal, colluded with any other party or parties for the purpose of preventing or restricting free competitive bidding, bidder's proposal shall be immediately rejected. Any agreement awarded prior to the API's discovery of bidder's collusion shall be terminated and bidder shall be liable for all of its damages sustained by the API as a result of bidder's collusion.
- 5) Transparency: By submitting a proposal, bidder agrees to maintain transparency of all work performed by bidder on behalf of API, to include disclosure of all bidder's revenue streams resulting from said work. Bidder also agrees to provide API with documentation of all of its marketing efforts by means of both a summary of quotes and options as well as a copy of actual insurer quotes. Bidder further agrees that it will not accept contingency compensation from the insurers with which it places insurance coverage for

API. Such contingency compensation includes, but is not limited to, bidder's use of Placement Service Agreements and Market Service Agreements.

- 6) **Right to Audit:** API shall have the right to audit all invoices submitted by the bidder. The organization shall have the right to audit all relevant data upon which the bidder's fees are based.
- 7) **Informal Communications:** From the date of receipt of this RFP by each bidder until a binding agreement exists with the selected bidder and all other bidders have been notified, or when API rejects all proposals, informal communications regarding this procurement shall cease. There shall be no requests from bidders to any Office or Department at API with the exception of contact for information, comments, etc., and they shall be emailed.
- 8) **Formal Communications:** From the date of receipt of this RFP by each bidder, until a binding agreement exists with the selected bidder, and all other bidders have been notified, or when API rejects all proposals, all communications between API and the bidders will be formal emails.
- 9) Any costs incurred by bidders in preparing or submitting a proposal shall be the bidder's sole responsibility.
- 10) Pursuant to Federal Acquisition Regulations and API's procurement policy, API may offer agreement opportunities to small and minority firms, women's business enterprises and labor surplus area firms to the extent possible.
- 11) **Compensation Terms:** Shall be provided on a flat-fee basis and all insurance coverage shall be placed net of commissions. If a commission is paid, however, the flat fee amount due under the agreement shall be reduced by an amount equal to such payment. At any time or times before final payment and three years thereafter, API may have the bidders' invoices or vouchers and statement of cost audited.
- 12) **Bidder's Insurance and Indemnification:** Bidder shall indemnify, protect, defend and hold harmless API, its directors, officers, employees, and representatives from and against any and all claims arising from or connected with: (1) any alleged or actual breach by bidder or (2) any act or omission by bidder and only to the extent such claim arises by negligence or intentional misconduct or as may be allowed under applicable law. Monies due or to become due to the bidder under the agreement may be retained by API as necessary to satisfy any outstanding claim which API may have against the bidder.

- 13) The proposer shall provide immediate notice in the event there is any change of insurance or that it has reached the insurance limits due to claims made.
- 14) RFP Addendum: In the event that it becomes necessary to revise this RFP, in whole or in part, an addendum will be provided on our website <http://www.actionpahtways.ngo>
- 15) Completed Bids: A bidder may submit no more than one (1) proposal in response to this RFP. The proposal shall be completed and signed by an individual who is authorized to bind the firm and must be submitted in a package clearly marked "Insurance Broker Service RFP". By submitting a proposal, the bidder represents that:
  - a. Bidder has read and understands the RFP and submits the response in accordance therewith.
  - b. The bidder possesses the capabilities, equipment, and personnel necessary to provide an efficient and successful service.
  - c. The bidder has all required licenses and insurance.
- 16) Withdrawal of Bids: At any time prior to the hour and date set for submitting proposals, a bidder may withdraw the proposal. This will not preclude the submission of another proposal prior to the hour and date set for submitting the bid. After the scheduled time and date for submitting proposals, no bidder will be permitted to withdraw the bid unless the award is delayed for a period exceeding 60 days.
- 17) Receipt and Opening of Proposals: Bidders are responsible to assure their bid is delivered to API by the scheduled date and time. Only those bids which are received in a timely fashion as set forth in this RFP will receive consideration. Proposals received after the date and hour designated are automatically disqualified and will not be considered; late bids will be dated, marked as received late, and placed unopened in the bid file. Bidders must pay particular attention to insure the proposal is properly addressed. API is not responsible if the proposal does not reach the destination specified by the appointed date and time.
- 18) Award Notification: When the evaluation process of the proposals is completed; the selected bidder will be formally notified by mail or email. Other notifications will not be honored and should not be considered as a valid offer of award.

## Appendix A

### Vendor Information (must be completed and returned with proposal)

Legal Company Name: [Click here to enter text.](#)

Doing Business as (DBA) (if applicable): [Click here to enter text.](#)

Federal ID (TIN): [Click here to enter text.](#)

Address: [Click here to enter text.](#)

Remit to Address: [Click here to enter text.](#)

Telephone: [Click here to enter text.](#)

Fax: [Click here to enter text.](#)

Email: [Click here to enter text.](#)

Web Address: [Click here to enter text.](#)

Main Contact: [Click here to enter text.](#)

Person responsible for responses (if different): [Click here to enter text.](#)

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Print Name

Title

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Authorized Signature

Date



## Appendix B Questionnaire

### A. Business Information

- a. Name of Firm (exactly as it is to appear on the agreement):[Click here to enter text.](#)
- b. Servicing Office Address:[Click here to enter text.](#)
- c. Insurance Broker Licenses Date:[Click here to enter text.](#)
- d. Form of Business Entity (check one)
  - Corporation
  - Partnership
  - Joint Venture
  - Individual
- e. Total Staff:[Click here to enter text.](#)
- f. Licensed Professionals:[Click here to enter text.](#)
- g. Total Annual Premiums written last year:[Click here to enter text.](#)
- h. Is your firm, functionally or practically, tied to any insurer or in any manner precluded from using a particular insurer? (if so please provided a brief description)[Click here to enter text.](#)
- i. Describe your contractual relationships, if any, with organizations necessary to your proposal's implementation (i.e. actuarial services, data information services).[Click here to enter text.](#)
- j. What is your median client size?[Click here to enter text.](#)

### B. Experience

- a. Provide the number of years engaged in the insurance brokerage business:[Click here to enter text.](#)
- b. Provide the number of years engaged in the non-profit sector insurance brokerage business:[Click here to enter text.](#)
- c. Number of years engaged in the Social Services brokerage business:[Click here to enter text.](#)
- d. Number of years the individual assigned to this proposed agreement proposed agreement engaged in the Social Services brokerage business:[Click here to enter text.](#)
- e. How many Social Services clients do you have:[Click here to enter text.](#)
- f. How many overall clients do you have:[Click here to enter text.](#)
- g. Describe your firms' experience with Social Services on a state-wide basis:[Click here to enter text.](#)

C. Specific Experience

- a. List current Social Service clients and services provided/types of coverage’s specifically property, general liability, automobile, employee practices liability, crime, Directors and Officers, workers compensation, cyberspace, bonds, and excess coverage, placed by the servicing office that will service the agencies account, if successful (do not list clients that are not direct clients of the proposed servicing office):[Click here to enter text.](#)
- b. Who will manage/service this account?[Click here to enter text.](#)

D. Qualifications

- a. Confirm that you are a licensed broker in NC and provide documentation. Confirm that you serve as a broker, independently, and are not affiliated with any insurance company, third party administrative agency or provider network.[Click here to enter text.](#)
- b. Describe the account set up you would use to service API’s account. Provide a brief resume of qualifications and experience for the personnel and their backup who will be servicing the account. Include professional qualifications, education background (also indicating current and historical account responsibilities). If your servicing plans include the use of personnel other than the identified servicing location, describe the method or internal set-up that assures your servicing office clients are well serviced.[Click here to enter text.](#)
- c. Describe your firm’s servicing and technical capabilities. Provide a general background of your company as it relates to the line of coverage for which API is seeking a proposal. Describe any special expertise your firm has in providing insurance to Social Service entities.[Click here to enter text.](#)
- d. Describe any impending changes in your organization that could impact the delivery of services.[Click here to enter text.](#)
- e. What is your average response time to questions posed from your clients? How do you handle follow up to outstanding items?[Click here to enter text.](#)
- f. How does your firm develop your insurance/risk management professionals (i.e., do you have any in-house training program, on-the-job training, etc.)?[Click here to enter text.](#)
- g. Provide your suggestions for developing a reliable, viable, working relationship with API. Please be brief and concise.[Click here to enter text.](#)
- h. What techniques will you use to assist us in developing current risk exposure information? Can your staff conduct or arrange facility inspections? What services do you expect to be provided by the insurance carriers and how do you plan to monitor these services?[Click here to enter text.](#)

- i. In what way do you insure that each policy is being properly serviced, and how would you follow up and control the service standard on API's account? [Click here to enter text.](#)
  - j. How will you assist with the management of insurance, including preparation of claims activity reports form carriers; executive summary reports, underwriting analysis for annual renewals; annual financial projection for budgeting purposes analysis? [Click here to enter text.](#)
  - k. Describe your organization's method of keeping abreast of insurance market changes including coverage, rates, business philosophy, availability, legal constraints, and solvency (security of company). Describe your organization's method of apprising clients of these same changes. [Click here to enter text.](#)
  - l. Does your organization have access to actuarial consulting services? If so, is this third party independent of any affiliations with any carriers or third party administrators? [Click here to enter text.](#)
  - m. Is the cost of the proposed actuarial service included in your proposal? [Click here to enter text.](#)
  - n. Specifically address what you have done to reduce insurance cost for clients. [Click here to enter text.](#)
  - o. State any other facts and information you feel are pertinent to the selection process as they relate to your firm. [Click here to enter text.](#)
  - p. List any additional service options your company can provide, not already requested, and along with the fee required for these services. [Click here to enter text.](#)
- E. Broker Insurance
- a. Do you carry professional liability insurance to protect against errors and omissions? If so, what are the limits? [Click here to enter text.](#)
  - b. Will you provide a certificate of insurance for the API if successful in obtaining this account? [Click here to enter text.](#)

**Appendix C  
COST (must be completed and returned with proposal)**

Bidder shall provide, in the following format, the proposed annual flat fees or commission percentage for the three (3) year period

	Flat Rate Fee	Commission %
Year 1	_____	_____
Year 2	_____	_____
Year 3	_____	_____

Bidder agrees that the flat fees/commission percentage stated in the proposal shall be considered payment for all insurance broker services listed in the RFP, as well as any additional services offered in bidder’s proposal. Failure on the part of any bidder to provide its flat fees or commission percentage for all three (3) years will result in rejection of the proposal.

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Print Name \_\_\_\_\_ Title \_\_\_\_\_

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Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_



## **Appendix D Proposer’s Declaration**

Proposer understands, agrees and warrants:

That Proposer has carefully read and fully understands the information contained in this Request for Proposal;

That Proposer has the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted;

That this Proposal may be withdrawn by requesting such withdrawal in writing at any time prior to the time and date set for acceptance of proposals by API;

Any proposal received after the time and date specified as deadline for submission of proposals will not be considered;

That all information contained in the Proposal is true and correct to the best of the Proposer’s knowledge;

That Proposer did not, in any way, collude, conspire, or agree, directly or indirectly, with any person, firm corporation or other Proposer in regard to the amount, terms or conditions of this proposal;

That API reserves the right to reject any and all Proposals and to accept that Proposal which will, in its opinion, provide the best level of service to API;

That by submission of this Proposal, the Proposer acknowledges that API has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer and Proposer hereby grants API approval to make said inquiries;

Signature of Authorized Representative: \_\_\_\_\_

Title of Authorized Representative: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Notary: \_\_\_\_\_

My Commission expires: \_\_\_\_\_

