

Request for Quote (RFQ)
Automobile Insurance Coverage
March 28, 2008

I. Introduction

The Board of Trustees of State Institutions of Higher Learning (IHL), through its Self-insured IHL Tort Claims Plan, currently insures its automobile liability exposure under the Mississippi Tort Claims Act through Union Insurance Company and St. Paul Travelers. IHL, through the Office of Insurance & Risk Management (RM), is seeking an insurance company or companies (Company) to write automobile liability coverage in-state and/or out-of-state. IHL desires to explore all financial options available to provide auto coverage beneficial to its system. These financial options may be a result of but are not limited to partial self-insurance, deductibles, SIRs, reinsurance, etc.

II. Purpose

The Company shall provide insurance coverage for the Named Insured as prescribed in Section V. of this RFQ. To be selected as the Company to provide this coverage, the Company must possess the resources, flexibility, innovation, and commitment to service that provides value beyond simple "claims payment". To this end, IHL requires that the Company have the capabilities, expertise, and service commitment to excel in all areas of services provided through the automobile insurance policy or policies (Policy) proposed in response to this RFQ. The most current lists available of the Named Insured's vehicles and the Named Insured's vehicle claims experience reports are located in Exhibits "B" & "C". Exhibit "D" outlines the system's current policy limits and premium history, and Exhibit "E" includes driver safety program highlights and the *Motor Vehicle and Fleet Management Best Practice Guidelines*.

III. Contract Period

The term of the Policy shall be effective at 12:01 a.m. CDST on July 1, 2008, through 12:01 a.m. CDST on July 1, 2009. Thereafter, the Policy may be renewed by mutual agreement of all parties. IHL will consider a multiyear contract with guaranteed costs.

IV. Minimum Requirements to Quote

- A. The Company shall have a minimum Best's Rating of A- with a Financial Size Category of X or better.
- B. The Company must be approved by the Mississippi Department of Insurance to write this line of business in the State of Mississippi.

V. Coverage Specifications

- A. The Policy shall be in the name of Board of Trustees of State Institutions of Higher Learning.**

- B. The policy shall provide “Any Auto Coverage” for Owned, Hired and Nonowned vehicles in the following limits:**
 - 1. Limits In-State**
 - (a) Combined Single Limit of \$500,000 per occurrence**
 - (b) A minimum of \$10,000 in Automobile Medical Payments**
 - 2. Limits Out-of-State**
 - (a) A Combined Single Limit of \$5,000,000 per occurrence**
 - (b) A minimum of \$10,000 in Automobile Medical Payments**

- C. The policy shall provide automatic coverage for substitute and newly acquired vehicles.**

- D. The following endorsements shall be attached to the Policy:**
 - 1. Hired and Nonowned Automobile Liability coverage:**
“It is hereby understood and agreed that hired and nonowned automobile liability coverage is amended to have primary coverage in lieu of excess.”
 - 2. Fellow Employee Exclusion:**
“The Fellow Employee Exclusion does not apply.”
 - 3. Named Insured is endorsed to read:**
Alcorn State University
Alcorn State University Educational Building Corporation
Delta State University
Delta State University Educational Building Corporation
Jackson State University
Jackson State University Educational Building Corporation
Mississippi State University
Mississippi State University Educational Building Corporation
Mississippi Agricultural and Forestry Experiment Station (MAFES)
Mississippi Cooperative Extension Service (MCES)
Mississippi University for Women
Mississippi Valley State University
Mississippi Valley State University Educational Building Corporation
The University of Mississippi
The University of Mississippi Educational Building Corporation
The University of Mississippi Medical Center
The University of Mississippi Medical Center Educational Building Corporation
The University of Southern Mississippi
The University of Southern Mississippi Educational Building Corporation
Gulf Coast Research Laboratory

The Board of Trustees of State Institutions of Higher Learning and

central office of IHL

Post-Secondary Education Financial Assistance Board

Mississippi University Research Authority (MURA)

University Press of Mississippi

4. Additional Named Insured:

“The Policy is amended to include the Mississippi Tort Claims Board as an additional insured, but only when it is a party defendant in a Claim against a Named Insured with respect to the coverage provided under this Policy.”

5. Unintentional Errors and Omissions:

“It is hereby understood and agreed that unintentional failure of the insured to disclose hazards existing at the inception or renewal date of this Policy or errors or omissions in the application, declarations, schedules, endorsements or other documents shall not affect the coverage afforded under this Policy.”

6. Subrogation Waiver:

“It is hereby understood and agreed that the Company hereby waives any right of subrogation against the named insured, its officials, employees, or volunteers.”

VI. Company Responsibilities

A. The Company must provide at a minimum a quarterly claims experience report. The claims experience report shall preferably provide the following detail and summary data:

1. Detail data by occurrence:

- Name of the employee driver**
- Identity of the Named Insured the driver is operating the vehicle on behalf of**
- Date of loss and location of the accident (city and state)**
- Status of the claim (closed or open)**
- Total dollar amount paid**
- Total dollar amount reserved**
- Total dollar amount incurred**
- Claim number**

2. Summary data by Policy:

- Earned premium**
- Number of claims**
- Total dollar amount of paid losses**
- Total dollar amount of Policy reserves**
- Total dollar amount of Policy incurred**
- Policy loss ratio**

- B. The Company shall provide kits that include claim forms, instructions of what to do in the case of an accident, and ID cards, to be maintained in Named Insured vehicles.**
- C. The Company shall provide a complete and accurate Policy within 60 days of the effective date of the Policy.**

VII. Insurance Broker Responsibilities

- A. The insurance broker shall facilitate communication between the Company and IHL.**
- B. The insurance broker must deliver a binder of coverage detailing the coverage no later than 4:00 p.m. CDST on June 25, 2008.**
- C. The insurance broker shall assure all information needed by the Named Insured, including kits for each vehicle, is delivered and fully explained.**
- D. The insurance broker shall provide Certificates of Coverage as requested by IHL and the Named Insureds.**
- E. The insurance broker shall assist the Named Insured and its employees with claims and coverage inquiries.**
- F. The insurance broker shall provide an insurance certificate for Errors and Omissions coverage exhibiting the limits of liability, deductibles and name of the carrier prior to inception of the coverage. The Errors and Omissions coverage shall be maintained throughout the term of this Policy in a minimum amount of Three Million Dollars (\$3,000,000) per occurrence and Five Million Dollars (\$5,000,000) annual aggregate through an insurance company licensed by the Mississippi Department of Insurance. The Certificates of Insurance shall name the Board of Trustees of State Institutions of Higher Learning as a certificate holder. The Certificates of Insurance shall be addressed to the Board of Trustees of State Institutions of Higher Learning, Office of Insurance and Risk Management, 3825 Ridgewood Road, Suite 429, Jackson, MS 39211.**
- G. The insurance broker shall provide documentation that the firm and insurance broker are licensed by the Mississippi Department of Insurance to write this class of business.**
- H. The insurance broker shall provide documentation that the firm and insurance broker are able to bind the Company on the coverage requested through this RFQ.**

VIII. General Instructions

- A. In preparing your response to this RFQ, explain all issues in a concise, direct manner. All information requested is considered important. If you have additional information you would like to provide, include it in the back of your response as an appendix. All documentation submitted in response to this RFQ and any subsequent requests for information pertaining to this RFQ shall become the property of IHL and will not be returned.

The information contained in your response to this RFQ will be used by IHL in determining the insurance broker and Company to be awarded the business. The quote will be maintained by IHL and IHL will expect all representations made in the quote to be honored by the insurance broker and Company.

FAILURE TO PROVIDE ALL INFORMATION REQUESTED AND IN THE MANNER REQUESTED MAY RESULT IN DISQUALIFICATION OF YOUR QUOTE.

- B. Timetable

The following is an outline of dates in the selection process. Dates are subject to change. Notification of any changes will be provided in writing to all insurance brokers that have provided notice of intent to quote.

March 28, 2008	RFQ released
April 9, 2008	Intent to quote and all questions regarding the RFQ due by 4:00 p.m. CDST
April 14, 2008	Response to questions sent
May 20, 2008	Quotes due by 4:00 p.m. CDST
June 20, 2008	Award Notification
12:01 a.m. July 1, 2008	Policy effective

- C. Intent to Quote and Submission of Quote

1. All potential insurance brokers are strongly urged to indicate in writing their intention to quote by April 9, 2008. Only those that provide notification of intent to quote will receive copies of responses to questions, changes and updates. Your notification of intent to quote shall contain: (1) confirmation that you are licensed by the Mississippi Department of Insurance to write this type business; and (2) your contact's name, title, address, telephone number, fax number, and email address. Minorities are encouraged to participate.
2. Three (3) copies of your quote with at least one (1) of them unbound shall be submitted and received at the address below no later than 4:00 p.m. CDST on May 20, 2008.
3. The quote is subject to the "Mississippi Public Records Act of 1983," codified as section 25-61-1 et seq., Mississippi Code Annotated.

D. Communication

IHL shall be bound only by written responses to written questions concerning the RFQ. All communication in reference to this RFQ, including submission of the intent to quote, questions regarding this RFQ, and the insurance broker's quote shall be addressed only in writing to:

Cliff Tucker
Director of Insurance and Risk Management
Board of Trustees of State Institutions of Higher Learning
3825 Ridgewood Road, Suite 429
Jackson, MS 39211
Facsimile: (601) 432-6986

E. IHL MAY AWARD ALL OR PART OF THE SERVICES CONTAINED IN THIS RFQ. IHL RESERVES THE RIGHT TO REJECT ANY OR ALL RESPONSES TO THIS RFQ.

IX. Required Contents of the Quote

In preparing your response to the questionnaire, you shall repeat each question in the order presented in this RFQ followed by your response. Please provide complete answers and explain all issues in a concise, direct manner. The proposer must submit the following information in the order requested:

1. State the full name and home office address of your agency. If the office that will service IHL is located at a different address than the home office, provide the complete address, phone number and facsimile number for this office as well.
2. Provide the name, title, address, telephone number, facsimile number, and email address of the contact person for this quote. The contact person shall be a licensed insurance broker and officer of the organization in a position to address any of IHL's clarifications and concerns in a prompt and accurate manner.
3. State the full name and home office address of the Company that is to provide the coverage. If the office that will service IHL is located at a different address than the home office, provide the complete address, phone number and facsimile number for this office as well.
4. Restate each item listed in Section IV., A. and B., "Minimum Requirements to Quote" of the RFQ and detail how the Company meets or exceeds the required minimum qualifications.
5. Restate each item listed in Section V., A. through D., "Coverage Specifications" of the RFQ and confirm that the Company agrees to these specifications.

6. **Restate each item listed in Section VI., A. through C., “Company Responsibilities” of the RFQ and detail how the Company shall address these specifications. Provide a sample of the Company’s claims experience report that illustrates how it meets the requirements in VI., A., 1 and 2.**
7. **Restate each item listed in Section VII., A. through H., “Insurance Broker Responsibilities” of the RFQ and detail how your organization shall address these responsibilities.**
8. **Provide complete and detailed cost quotation(s) that include the premium, the coverage (including any differences from the coverage specified in the RFQ), and any deductibles/SIRs/reinsurance layers, etc.**
9. **An officer, principal or owner of the insurance broker’s firm authorized to bind the proposed Company to provide the requested coverage must sign the statement of compliance (Exhibit “A”). FAILURE TO COMPLY WITH THIS REQUIREMENT WILL AUTOMATICALLY DISQUALIFY YOUR QUOTE.**

EXHIBIT “A”

Statement of Compliance

Statement of Compliance

Proposer agrees to adhere to all of the conditions and requirements set forth below in addition to the IHL RFQ:

- 1. That the attached quote is valid for at least 90 days subsequent to the due date of submission.**
- 2. That IHL reserves the right to correct and clarify this RFQ. Any corrections and clarifications will be sent to all that have provided written notice of intent to quote.**
- 3. That IHL reserves the right to request clarifications or corrections to quotes. IHL reserves the right to reject any or all quotes, select or reject any, all, or none of the services discussed in this RFQ, or cancel the RFQ in its entirety at IHL's sole discretion. Any quote received that does not comply with the General Instructions may be considered to be "non-responsive" and be disqualified.**
- 4. That IHL reserves the right to further clarify and/or negotiate with the "proposer evaluated best" following completion of the evaluation of quotes if such is deemed necessary by IHL. IHL also reserves the right to move to the next best proposer if negotiations do not lead to a final agreement with the best proposer.**
- 5. That all costs incurred in preparing and delivering the quotes, and any subsequent time and travel to meet with IHL regarding the quote, shall be borne at the submitting party's expense.**
- 6. That the insurance broker hereby agrees that it shall not make any delegation of its duties unless authorized in writing by RM prior to any such delegation. It is further mutually understood and agreed by both parties that IHL is free to contract with other insurance brokers to perform similar and like services as those contained in this RFQ. Payment for work performed by the insurance broker shall not be affected by this provision.**
- 7. That all documents submitted to IHL shall become documents of IHL and shall become subject to the Mississippi Public Records Act of 1983. IHL has the right to use any and all ideas or adaptations of the ideas contained in any quote received in response to the RFQ. Selection or rejection of the quote will not affect this right.**

Name

Title

Signature

Insurance Broker Firm Name

Date

Please have the appropriate officer of your firm sign this statement and include it as part of your quote.

EXHIBIT “B”

Vehicle data including a list of IHL’s vehicles

EXHIBIT “C”

IHL’s vehicle claims experience reports

EXHIBIT “D”

IHL’s current policy limits and premium history

EXHIBIT “E”

Driver Safety Program Highlights

Motor Vehicle and Fleet Management Best Practices Guidelines