



Monday, August 30, 2021

**Subject: Request for Proposal #: 2021-08-001
Property & Casualty Insurance Brokerage Services and/or Risk Management
Consulting Questions & Answers**

Addendum 2 – Thank you for your interest in this RFP. This addendum serves to answer questions posed by Respondent's to the above referenced RFP. A secure link to retrieve additional information and Attachment C has been provided directly to Respondent's that expressed their intention to bid and submitted a signed confidentially agreement. We look forward to your proposals!

Areas of response: Forty four (44) Questions answered.

1. Q: Will Rice University require a presentation or interview as a part of this RFP process?

R: As per addendum 1, of the revised RFP schedule, we do currently plan to conduct Finalists Presentations virtually the week of October 4, 2021 – October 8, 2021.

2. Q: Will travel be required in order to fulfill the duties of this RFP?

R: Not in all cases as it depends on the scope of work/deliverable. Most duties will primarily be conducted remotely.

3. Q: Insurance Requirements: (a) I am a small business with less than 3 full time employees and therefore WC is not required by regulation. It is usual and customary to require "Statutory" limits in order to be complicit with applicable regulations. Is WC absolutely required by Rice University even though it is not required by regulation? (b) There is no vehicle being used in order to fulfill this RFP; as such this requirement for Automobile Liability is not applicable. Is this an absolute requirement?

R: (a &b) No, this can be reevaluated where applicable.

4. Q: What is your strategic vision of where William Marsh Rice University will be in the next 5-10 years?

R: Please see <https://v2c2.rice.edu/>

5. Q: Will there be any potential changes to your international footprint- with student and employee travel and study abroad?

R: Yes, we do expect student and employee travel to resume related to study abroad. Please see <https://global.rice.edu/>

6. Q: 3.0 General Information:

Are we permitted to use your logo, and images of your facilities from websites and social media, in our response?

R: Yes.

7. Q: 3.0 General Information:

Who from Rice will be serving on the Request for Proposals (“RFP”) evaluation committee and in oral presentations?

R: Members of the evaluation committee are:

- Brad Fralic, Associate Vice President and University Controller
- Tanner Gardner, Sr. Associate Athletic Director/Chief Revenue Officer
- Jeff Barnes, Associate General Counsel
- Janet Covington, Director Internal Audit
- Eno Oregbesan, Director of Risk Management
- Joe Davidson, Sr. Associate General Counsel; General Counsel of the Rice Management Company (RMC) (may participate in the oral presentations)

8. Q: 4.0 Scope of Work:

Please provide information relative to the University’s capital improvement plan with major renovation and new construction projects planned within the next 3-5 years. (Deliverable 3.7)

R:

Construction:

- New Hanszen Magister House; 4,200 SF, \$1,950,000, placed in service date August 2021
- McNair Hall Phase 2 Renovation; 16,500 SF, \$5,500,000, placed in service date December 2021
- New Hanszen College Wing; 55,000 SF, \$25,800,000, placed in service date August 2022
- New Engineering and Science building; 266,000 square feet (SF), \$152,000,000, placed in service date July 2023

Design:

- BRC Vivarium Expansion; 10,800 SF, \$10,300,000, placed in service date January 2023
- Cannady Hall (Architecture annex); 20,000 SF, \$15,700,000, placed in service date August 2023
- New Student Center; 82,000 SF, \$60,000,000, placed in service date August 2023
- Sarofim Hall (VADA); 50,000 SF, \$25,000,000, placed in service date January 2024
- RUPD (Design not started); 30,000 SF, \$13,500,000, placed in service date August 2024
- College #12 (Design not started); 150,000 SF, \$64,000,000, placed in service date August 2025

Utility:

- Central Plant Chiller Addition (2 – 1,000 ton chillers); \$4,500,000, placed in service date December 2022
- Central Plant Electrical Upgrade; \$8,000,000, placed in service date December 2022
- Utility Extension to West Campus; \$7,000,000, placed in service date December 2022

9. Q: 4.0 Scope of Work:

**Approximately how many contracts is the broker asked to review in a year?
(*Technical Approach: Routine Account Servicing #1*)**

R: Approximately less than 60.

10. Q: 4.0 Scope of Work:

Will the broker be expected to take over provision of claims advocacy services for your currently open claims? (*Deliverable 1.6*)

R: No, we have zero (0) claims that are currently assigned to a Claims Advocate. We have less than ten (10) non workers compensation claims open and twenty two (22) workers compensation claim open. In the event claims advocacy services for current open claims are needed, we expect to be able to engage the Respondent (s).

11. Q: 4.0 Scope of Work:

Actuarial services are requested as part of this RFP. Does the incumbent broker provide actuarial services as part of their service portfolio? If so, please describe the type and frequency of reports provided. (*Technical Approach: Consulting Services #2 / Deliverable 1.4*)

R: Yes, in the form of a Risk Finance Optimization Study on our major lines of coverage (approximately five (5) lines), frequency is currently every two years.

12. Q: 4.0 Scope of Work:

What are the top consulting projects over the next three years the University is looking to accomplish? (*Technical Approach: Consulting Services #5*)

R: As per the RFP page 6 of 25, items 1-6 & 8 ideally over the next three - four years.

13. Q: 4.0 Scope of Work:

Please describe the scope and extent of the business continuity planning, crisis management and independent risk management program review and risk assessment services the University expects the broker to provide under the scope of work. (*Technical Approach: Consulting Services #6*)

R: We look to the respondent(s) to provide their expertise and recommendations as they see fit and based on best in class standards comparable to the breadth of services offered by your firm.

14. Q: 4.0 Scope of Work:

How does Rice currently allocate premiums to university departments? Are the allocations provided by the incumbent broker? Are premiums allocated for all lines or certain lines of coverage? If certain lines of coverage, which ones? (*Technical Approach: Routine Servicing #3*)

R: Varies by department. Yes. Allocated for some lines of coverage.

15. Q: 4.0 Scope of Work:

Is Rice currently utilizing a risk management information system (RMIS) for its data collection process, and or to store policies and documents? How many different departments and users have access to this system? (*Deliverable 3.8*)

R: No.

16. Q: As respects tracking of certificates of insurance, how many vendor certificates are received and reviewed on an annual basis? Are you able to provide an estimate of current active vendors by department? Are MSA's, W-9's, safety certificates, etc. also being tracked within your current vendor COI review process? (Deliverable 1.8)

R: Approximately 200 per year. No. Note, there is no central system to monitor them, hence the request for solutions to manage this in a centralized way.

17. Q: Attachment C / Information Request:

May we obtain a copy of the current Insurance Program Schedule referenced as Attachment C in the RFP (including athletics)? Please include limits, deductible / retention, effective dates, premiums and insurance schematic / diagram, if available.

R: A secure link to retrieve additional information and Attachment C has been provided directly to Respondent's that expressed their intention to bid and submitted a signed confidentially agreement., note premiums will not be disclosed as part of this RFP.

18. Q: Attachment C / Information Request:

If Rice can accommodate via a file share, secure website, or other secure online method, may we obtain online access to your most current five-year loss histories, for all policies, which have had claims during that period?

R: Rice does not plan to provide this information as part of this RFP.

19. Q: Attachment C / Information Request:

If Rice can accommodate via a file share, secure website, or other secure online method, may we obtain online access to the exposure schedules that you currently maintain, or as submitted to insurers for underwriting of your most recent insurance renewals? Examples include: Schedule of Values, COPE and secondary modifier data for all domestic and international locations; schedule of fine arts values, musical instruments and other specialized equipment; vehicle schedule; domestic and international payrolls by classification; number of international travel days for faculty, staff and student travelers with list of countries.

R: Section 2.0 and Attachment C provides the extent of exposure information that will be provided as part of this RFP.

20. Q: What are the University's major loss exposure areas?

R: This is a question posed in Deliverable 1 of the RFP hence we expect the Respondent(s) to provide this information as part of their response.

21. Q: What tasks consume the greatest amount of risk management's time: training/education, claims handling, insurance renewals, etc.?

R: Contract review including identifying the third party insurance requirements required within contracts; answering questions related to how our insurance will respond to third party contractual obligations or in general answering insurance related questions, answering international travel related questions, responding to inquiries related to our minors in university activities and the insurance renewal process when they occur.

22. Q: What are the University's long term goals and objectives for its risk management program?

R: Please see Section 4.1 ABOUT THE PROJECT as there are five goals listed.

23. Q: What are the University's major challenges in its risk management program?

R: The day to day challenge has been staffing the RM program to support emerging needs of the university. Given the lean staffing nature of the ORM it is important for Rice to work with a firm (s) that can provide high level, high quality, prompt and efficient day to day support to the ORM.

24. Q: Beyond routine low-level issues, how important is a local team versus having the best possible Broker team of specialists who are available within 24-hours?

R: It is more important to have the best Broker team of specialists who are available within 24-hours?

25. Q: What is the renewal date for policies, and do all policies renew on this date?

R: No, primarily 07/01, the supplemental documents list each policy's renewal date.

26. Q: Does the University currently use a risk management information system (RMIS) and if yes, what is the provider's name?

R: No.

27. Q: Does the University currently work with a diversity supplier partner, and if yes, please explain the current services they provide and compensation structure?

R: No. We very much are interested and seek to work with diversity supplier partners.

28. Q: Is Rice currently using a captive for any exposures? If so, which lines of business? If not, is there interest to utilize a captive in the future?

R: No. Yes, there is interest, as Rice will be conducting an RFP for a feasibility study to explore alternative risk financing mechanisms; also see Deliverable 1.11 in this RFP for reference.

29. Q: Information Request:

1. **Minimum five years of historical loss experience including the current year for all lines**
2. **Minimum five years of historical exposure information including the current year**
 - **Property Statement of Values including secondary characteristics**
 - **Liability & Auto exposure information**
 - **Workers compensation exposure information**
3. **Lead policy forms for all lines**
4. **Schematics for the property and excess casualty/professional program**
5. **Schedule of Insurance including carriers, limits, deductibles, etc.**
6. **Details of current or planned development/construction projects and related brokerage services.**

R: See section 2.0 and Attachment C which is the extent of information we plan to provide for this RFP.

30. Q: How many people currently make up your Risk Management Dept. and to what extent are you relying on your current broker?

R: We have one Director of Risk Management and one vacant Risk Management Specialist position; we plan to hire for a similar position in the 90 days. We rely heavily on our broker as indicated in the RFP and question 23.

31. Q: Are you pleased with the level of service being provided by your current broker?

R: Rice currently has multiple brokers that provide the services reflected in the RFP, hence the response may depend on which one. Given this is Rice first RFP for broker services we suspect there might be room to expand and advance the current service levels.

32. Q: Does your Risk Management Department have a RMIS (Risk Management Information System), or does it rely on the carrier for data analysis?

R: No, the ORM does not and yes we rely on the carrier for data analysis.

33. Q: Please provide Loss Data for past 5 years for all lines of coverage contemplated within this RFP?

R: Attachment C provides the extent of information we plan to provide for this RFP.

34. Q: Is Rice University pleased with the current level of claims services provided? What type of claims do you feel need more attention?

R: There are minimal claims services currently provided. Workers' compensation and large property claims.

35. Q: Does Rice University engage any third-party loss prevention?

R: None outside of insurance carrier provided loss prevention services.

36. Q: What training is provided for your Risk Management Dept. and any other departments by your current broker?

R: None.

37. Q: Are there any special services or projects provided by your current broker(s) and if so please describe?

R: Risk Finance Optimization Study on 5 major lines of coverage and Foundational Analytical Evaluation (CAT modeling).

38. Q: General info needed for RFPs

Financial statements: annual and most recent interim.

Institution organization chart, including entity type including foreign entities

Listing of insured entities

RM team org chart

Is there a captive? License type, domicile and manager?

R: Please see <https://president.rice.edu/governance/financial-statements> and please review the answers to other questions within this addendum.

39. Q: Property

Statement of values.

Program chart, including premium spend.

Binder showing local foreign policies and current policy form.

Largest MFL (maximum foreseeable loss) estimate.

Claim details for the last 10 years.

Engineering reports.

Most recent underwriting submission.

R: Please see section 2.0 and Attachment C which is the extent of information we plan to provide for this RFP.

40. Q: Educators Legal/D&O/EPL/Fiduciary/Crime/ Cyber:

Most recent underwriting submission.

Binders

Policies, including premium spend.

Claim details for the last 10 years.

List of directors and officers.

R: Please see section 2.0 and Attachment C which is the extent of information we plan to provide for this RFP.

41. Q: International Liability:

Number of foreign trips, countries visited, purpose

Vehicle listing by country.

Sales by country.

Payroll by country split by local nationals, third country national and expats

Does HR handle the foreign wc/ el and benefits? Any DBA?

Share the most recent binder including local policies or policy summary showing local policies

Binder, policy, loss runs for the last 5 years, most recent submission

R: Please see section 2.0 and Attachment C which is the extent of information we plan to provide for this RFP.

42. Q: International Liability:

General/Products Liability and Umbrella/Excess Liability:

Complete copy of policy.

Complete copy of the umbrella (aka lead) policy and all excess layer policies.

Schematic showing the entire tower (insurers, limits, premiums, and retentions).

Collateral held by casualty insurers, including type (LOC, surety bond, trust, etc.) and applicable policy year/s.

Detailed sales, autos, and payroll exposure data reported for the current year program.

- **Sales: US and rest of world (per above).**
- **Auto count: private passenger, light truck, heavy truck.**
- **Payroll: total by state.**

10 years of claim detail for general liability, product liability, auto liability, workers' compensation/employers' liability per attached template.

10-year umbrella/excess liability claim details.

Full submission and marketing meeting presentations shared with insurers.

R: Please see section 2.0 and Attachment C which is the extent of information we plan to provide for this RFP.

43. Q: International Liability:

Business Strategy

What are your key organic and inorganic growth strategies?

How will your global footprint change over the next five years?

To what extent will additive automation/AI, industrial IOT, and cloud ecosystems play a significant role in your future success?

Do any your key trading partners and/or customers present trade credit risk to the organization?

How will you leverage data to your competitive advantage?

What is your approach to environmental risk management?

How are data and analytics currently used to measure the success of your enterprise risk management efforts?

What three enterprise risk management goals would you like to achieve in the next three to five year?

R: Please see section 4.1 ABOUT THE PROJECT and the responses above to the other questions. Any other questions will be provided to the awarded Respondent (s) if needed.

44. Q: Broker Selection:

What is your main objective in conducting this RFP?

What broker services are most important to you?

In what ways will you need your future broker to assist you in managing emerging industry risks?

Will you evaluate broker cost competitiveness as a component of overall cost of risk (i.e., factoring in savings delivered through reduced retained claims cost and insurance premiums) or independent from the greater costs of insurance and retained losses?

What are the scorecards for measuring the brokers in the RFP? How heavily (%) will broker cost be weighed in the final decision?

Who are the key stakeholders engaged in the broker evaluation?

How what format do you use currently to compensate your broker (i.e. commission or fee or combination thereof)?

Do you currently have a risk management information system in place? If so, what system?

Who is the third-party administrator providing claims handling services?

R: Please review the entire RFP or questions answered above for responses to some of these questions. The current broker (s) are compensated via negotiated commission or by fee. We do not currently engage a third-party administrator.