

STATE OF MISSISSIPPI



Mississippi Department of Finance & Administration (MDFA), Office of Insurance (OI)

Request for Proposal

Commercial Insurance Brokerage Services

July 27, 2023

Contact information for this request for proposal:
Commercial Insurance Brokerage Services RFP
c/o MDFA Office of Insurance
501 North West Street
Suite 901-B Woolfolk Building
Jackson, Mississippi 39201
InsuranceRFP@dfa.ms.gov

TABLE OF CONTENTS

SECTION 1. INTRODUCTION 3
 1.1 Background, Authority, and Purpose..... 3
 SECTION 2. SCOPE OF SERVICES 6
 2.1 Account Management 6
 2.2 Commercial Broker and Consulting Services..... 6
 SECTION 3. MINIMUM VENDOR REQUIREMENTS 11
 SECTION 4. PERFORMANCE STANDARDS 15
 SECTION 5. STATEMENT OF COMPLIANCE AND EXCEPTION(S) FORM 17
 SECTION 6. GENERAL QUESTIONNAIRE..... 19
 SECTION 7. TECHNICAL QUESTIONNAIRE..... 21
 7.1 Account Management 21
 7.2 Commercial Property Insurance Brokerage Services 21
 7.3 Approach and Methodology 24
 7.4 Performance Standards 24
 SECTION 8. FEE SCHEDULE..... 25
 SECTION 9. RFP PROCESS OVERVIEW FOR VENDORS 27
 9.1 Instructions to Vendors 27
 9.2 Important Dates and Deadlines 31
 9.3 Contact, Questions/Requests for Clarification, and Acknowledgment of Responses/RFP Amendments..... 31
 9.4 Corrections and Clarifications 32
 9.5 Modification, Withdrawal, or Rejection of a Proposal 32
 9.6 Right to Consider Historical Information 33
 9.7 Right to Reject, Cancel and/or Issue Another RFP..... 33
 9.8 Cost of Proposal Preparation 34
 9.9 Registration with Mississippi Secretary of State 34
 9.10 Vendor Investigations and Certifications..... 34
 9.11 State Approval 34
 9.12 Proposal Evaluation and Basis for Award 35
 9.13 Post-Award Vendor Debriefing 38
 9.14 Protest 38
 9.15 Required Contract Terms and Conditions..... 38
 9.16 Agency Website 38
 9.17 Attachments 39
 Appendix A 40
Draft Commercial Insurance Brokerage Services Contract..... 40
 Appendix B 41
Coverage Outline 41
 Appendix C 42
State of Mississippi Multi-Layer Insurance Program..... 42
 Appendix D 43
Five-Year Loss Summary Report by Coverage and Payment Class 43

SECTION 1. INTRODUCTION

1.1 Background, Authority, and Purpose

The Mississippi Department of Finance and Administration (MDFA), Office of Insurance (OI) has issued this solicitation for the purpose of attaining sealed competitive proposals from qualified vendors to represent the State's insurance needs in the areas of insurance brokerage, consulting, and other related services as outlined in **Request for Proposals (RFP) Section 2, Scope of Services**. The selected vendor will market, manage and service the existing coverages, as well as any coverages added in the future, present competitive quotes and recommendations, place the coverage, and service the coverage each year. This will include any related coverage additions and services or replacements thereto. Related coverages and services may be added at any time during the contract period.

State Property Insurance, which is now part of OI, began operations on October 5, 2005. Following Hurricane Katrina and the FEMA requirement for insurance, the Mississippi legislature enacted legislature (Mississippi Code Annotated §§ 29-13-1, 3, and 5) to initiate the state property insurance program. This program was tasked to purchase business property insurance and business personal property insurance on all state-owned buildings and contents thereof and participate in the National Flood Insurance Program (NFIP). Since inception, this program has worked with national insurance brokers in the administration of these statutes.

The OI works with domestic and international insurance markets to provide comprehensive layered insurance programs for building and personal property/contents of state agencies and departments. The primary objective for OI is to serve as the State's internal insurance agency and risk manager, responsible for the design, implementation, and administration of appropriate risk financing using traditional insurance programs. The OI seeks an insurance broker to advise the OI on methods of protecting the assets of the State and the values insured by the OI from catastrophic loss including, but not limited to, risk transfer, catastrophe modeling, loss control, and any other suggested methods; and to manage placement of the property reinsurance program for the OI to adequately protect OI insureds against catastrophic loss. The insurance services of this RFP will include property, cyber liability, equipment breakdown, fine arts, broadcasters' equipment, terrorism, and NFIP flood insurance.

This RFP is not an authorization for brokers to contact any insurance marketplace on behalf of this program, the State, or OI. OI specifically requests that no insurance market contact be made on behalf of MDFA, and that no market reservations or commitments be made for any purpose with respect to any insurance to be provided. Accordingly, no agent, broker, or other firm is authorized to block any insurance market for any current or proposed insurance coverage for the MDFA. Prospective brokers failing to comply with this condition may be subject to immediate disqualification.

Immediately following the broker selection, OI will make available to the Contractor full details of its exposures, its financial structure, loss history, and any additional pertinent data requested. From the time of selection through March 1, 2024, the Contractor shall craft recommended programs, secure markets for the programs, and present written proposals for cost, coverage terms, and broker services to OI. Program will be bound effective April 29 annually. OI expects delivery of binders by May 1, 2024, or before. All carriers must be financially secure, as rated A.M. Best

Company’s rating of “A-” or better (Class “VII” or higher financial size category).

- For a schedule of current State of Mississippi insurance policies, property statement of values, and other information, please go the following web link: <http://www.dfa.ms.gov/dfa-offices/state-property-insurance/>. All available construction information of state buildings is included on the Statement of Values in PDF format. If, during the term of the contract, additional properties are purchased by MDFA, those properties may be added to the resulting contract.
- Wholesale commissions will not be disclosed.
- Specific policy wording, except for deductibles, will not be disclosed.
- U.S. Retail Broker Commission can be found on the Mississippi Transparency website.
- A list of all State entities under the Property Insurance Program can be found at <https://www.dfa.ms.gov/sites/default/files/State%20Property%20Insurance%20Home/SOV%20Report%20from%20EIS%2012162022.pdf>.
- Information related to the properties currently owned by MDFA encompassing the National Flood Insurance Program policies and pertinent information can be located on the MDFA website (<https://www.dfa.ms.gov/dfa-offices/state-property-insurance/>).
- Coverage is all risk and includes real property, contents, and numerous other coverages outlined in **Appendix B**.
- A schematic that depicts the State of Mississippi’s current multi-layer insurance program is provided in **Appendix C, State of Mississippi Multi-Layer Insurance Program**.
- The loss information is provided in **Appendix D, Five -Year Loss Summary**.
- The associated annual premium is as follows:

Fiscal Year	Associated Annual Premium
2023	\$14,986,259.00
2022	\$9,378,568.00
2021	\$8,875,822.00
2020	\$8,648,842.00
2019	*\$7,669,957.00
2018	\$6,275,236.00

*Cyber liability coverage added.

MDFA’s current commercial insurance brokerage services contract with Arthur J. Gallagher Risk Management Services, Inc. is scheduled to expire on September 30, 2023, necessitating the need for this RFP. The effective date for this contract will be October 1, 2023. Implementation and/or transition services provided by the selected vendor prior to October 1, 2023, are not compensable; As such, any costs incurred by the vendor prior to October 1, 2023 may not be invoiced to the MDFA.

The OI is coordinating this RFP. MDFA seeks to enter into a multi-term, fixed price, indefinite quantity contract for the aforementioned services. A draft contract has been included as **Appendix A** of this RFP for your review and comment. This RFP, any amendment thereto, such as Questions and Answer document(s), if any were issued, as well as the awarded vendor’s proposal(s), and any requested best and final offer shall constitute the contract. The contract will be for four (4) years with an option to renew for one (1) additional year at the MDFA’s discretion. This procurement and any resulting contract shall be governed by the applicable provisions of the *Mississippi Public*

Procurement Review Board (PPRB) Office of Personal Service Contract Review (OPSCR) Rules and Regulations, a copy of which is available at 501 N. West Street, Suite 701E, Jackson, Mississippi 39201 for inspection or at <https://www.dfa.ms.gov/personal-service-contract-review>.

A copy of this RFP, including any subsequent amendments, along with a copy of all questions from vendors and responses to those questions, will be posted on MDFA's website under the heading "Solicitations" at <https://www.dfa.ms.gov/bids-and-rfps-notices>. Before the award of any contract, the vendor will be required to document to the MDFA that it has the necessary capabilities to provide the services specified in this RFP. The vendor may also be required to provide additional client references, as well as related project experience detail, for OI to determine if the vendor is qualified. The OI may make reasonable investigations, as it deems necessary and proper, to determine the ability of the vendor to perform the work, and vendor shall be required to furnish all information that may be requested for this purpose. The OI reserves the right to reject any proposal if the vendor fails to provide the requested information and/or fails to demonstrate the vendor is properly qualified to carry out the obligations of the contract and to complete the work described within this RFP.

SECTION 2. SCOPE OF SERVICES

This section contains information on services and procedures the selected vendor must provide, or adhere to, in servicing the OI's account, either directly or through identified subcontractors. **The descriptions are not all-inclusive** but are provided to alert you to services or procedures that may require additional planning or programming on your part. The following is a list of services the OI expects the successful vendor to provide.

Please respond by restating each service listed below, including the number, and confirm your intention to provide the service as described by stating "*Confirmed*". If your company can provide the service, but not exactly as described, respond by stating "*Confirmed, but with exceptions*", and state the specific exceptions. If your company intends to provide a listed service through a subcontractor, respond, "*Confirmed, service will be provided through subcontractor*", and name the subcontractor. If your company is currently unable to provide a listed service, respond by stating "*Unable to provide this service*". Any additional details regarding these services should be provided in your responses to the questionnaire, or as additional information included as an appendix to your proposal.

The selected vendor is expected to provide the following services:

2.1 Account Management

- 2.1.1 Assign a dedicated (but not necessarily exclusive) Vendor Account Manager to work directly with the MDFA OI Representative.
- 2.1.2 Work with and be responsive to MDFA in all areas customarily related to placing the insurance coverages;
- 2.1.3 Serve as liaison between OI and the selected insurers, keeping OI fully apprised of any and all matters that materially impact the coverage;

2.2 Commercial Broker and Consulting Services

The selected vendor's duties and responsibilities shall include, but are not limited to, the following:

- 2.2.1 Act as broker-of-record for existing and new coverages placed during the contract term;
- 2.2.2 Develop and place the most effective and cost-efficient insurance coverages and provide a range of consulting services associated with the Statewide property program;
- 2.2.3 Provide brokerage, consulting, and other related services to assist OI in fulfilling its critical role to ensure proper protection of the State's assets and activities on behalf of the State's citizens and taxpayers;
- 2.2.4 Assist MDFA in procuring, maintaining and servicing appropriate property, cyber liability, equipment breakdown, fine arts, broadcasters' equipment, terrorism, NFIP flood insurance, and other potential ancillary insurance coverages from qualified insurers at competitive levels of premium;

- 2.2.5** Solicit and provide competitive coverage options and alternatives that possess the best-negotiated terms, rates, and conditions from qualified carriers that fit within the overall mandatory limits, deductibles, and retentions;
- 2.2.6** Identify programs, products, and markets capable of meeting the State’s coverage needs;
- 2.2.7** Act as an advocate for MDFA in communications with the domestic and international markets and intermediaries, including negotiations of the lowest possible fees and/or deductible options;
- 2.2.8** Develop and implement strategy to generate and maintain competitive interest in MDFA’s insurance coverages from the available domestic/international markets;
- 2.2.9** Advise and consult with MDFA as to the type and format of data that needs to be collected and maintained for exposure analysis in order to optimize marketing, modeling, and renewing of the coverages;
- 2.2.10** Identify and organize pertinent information to effectively market the State’s property coverage program;
- 2.2.11** Coordinate and assist with the preparation of coverage applications and related reports necessary for submission to underwriters, syndicates, and interested insurers;
- 2.2.12** Provide risk management and professional services, as requested by OI, including, but not limited to, identifying and minimizing loss potential, conducting and/or reviewing property inspections, reviewing casualty exposures, researching alternative risk transfer techniques, attending meetings with State agencies, markets or other consultants;
- 2.2.13** Analyze exposure, claims, coverage forms, and current program data to determine various options in property program structures and provide recommendations to make the program more efficient and effective; Catastrophe modeling through RMS and AIR is required.
- 2.2.14** Make recommendations regarding quality of markets, limits, and differences in various markets’ terms and conditions;
- 2.2.15** Monitor the financial condition of insurers, including their stability, solvency, and service records, and advise whenever any insurer is downgraded by any rating agency and/or whenever a significant change in the financial status of an insurer occurs; All policies must be placed with insurance companies with an A.M. Best Company’s rating of “A-” or better (Class “VII” or higher financial size category). If during the term of the policy, a carrier’s rating falls below “A-” Class “XII”, the insurance must be replaced no later than the renewal date of the policy with an insurer rated at least “A-” Class “XII” in the most recently published Best’s Insurance Report.
- 2.2.16** Advise and consult with MDFA on selected commercial adjusting services companies and selected professional consultants;

- 2.2.17** Arrange for and plan annual international and domestic market meetings with senior underwriters, syndicates, and other entities to foster the continued long-term relationships between OI and the market, and to allow discussion of the market and renewal programs; OI anticipates participation in the broker meetings with market representatives to assist in the solicitation of the program.
- 2.2.18** Compile quotations for the program in an Excel spreadsheet; Where there are an adequate number of markets to do so, provide multiple quotes for competitive purposes. For those markets that decline to offer a quote on coverage, documentation from the market indicating why they chose not to quote must be provided.
- 2.2.19** Develop a strategy for any upcoming renewal during the contract period to be presented in writing to OI a minimum of 120 calendar days before the expiration;
- 2.2.20** Deliver market quotations and recommended coverage programs to OI by March 1 for the April 29 renewal date; The March date allows full analysis and discussion prior to the Mississippi Legislature adjournment sine die.
- 2.2.21** Assist OI when other related coverage needs to be added during the term of the Contract, at no additional cost;
- 2.2.22** Disclose coverage additions and coverage restrictions on all renewal quotes in a chart format as compared to the expiring coverage;
- 2.2.23** Upon authorization, bind the program as directed by OI; Binders and/or confirmation of coverage shall be required upon placement;
- 2.2.24** Review and verify coverage documents received from all bound markets to determine the coverage placed is correct as to price, rating classification and exposure;
- 2.2.25** Deliver electronic copies of all coverage documents; All documents shall be submitted electronically (as requested) within 150 calendar days of their effective date with binders submitted on effective date. All coverage placed with multiple layers must include an Excel or other graphic display of the placement showing markets, policy numbers, limits, premiums, taxes, fees, and commissions, if applicable, per layer.
- 2.2.26** Prepare certificates of insurance and endorsements, as requested, within 48 hours on a normal schedule and within 12 hours on a rush schedule;
- 2.2.27** Advise and consult with OI on an ongoing basis, or as requested, on any actual or proposed risk management issues that could impact the risk exposures, program structures, insurance coverages, their cost and/or marketing thereof, including but not limited to property risk engineering/loss prevention and property claims advocacy services;
- 2.2.28** Advocate with insurance companies on behalf of OI and advise on a continuing basis and in a timely manner on any and all significant matters and developments regarding the process of carrier service issues;

- 2.2.29** Assist with the reports and supporting justification needed for certification of the State's property program through the Mississippi Insurance Department as required by the Stafford Act;
- 2.2.30** Coordinate the statutorily required inspections and reports for boilers and pressure vessels in all state-owned buildings through the services of one or more of the selected insurers;
- 2.2.31** Provide annual loss runs for each policy a minimum of 60 calendar days before expiration, including any prior year with open losses; These reports shall reflect claims opened and closed and claims reserved and paid by policy year (including all allocated loss adjustment expenses) until all claims are closed. These reports shall be cumulative for the coverage year and not just activity for the year. At OI's request, loss runs shall be provided at any time during the year.

Information to be reflected on the quarterly report for each individual claims shall include, but not be limited to the following:

- Date of loss;
- Status of claim (open, closed, reopened);
- Brief description of loss;
- Name of state agency;
- Amount of claim as indicated below (by coverage code, if coverage code is applicable);
- Total incurred;
- Amount paid;
- Amount reserved;
- Amount recovered;
- Amount of loss adjustment expenses; and
- Net incurred.

- 2.2.32** Assist OI, as requested, in coverage issues that may arise with carriers from previous years, including policies that predate the broker's current contract with the MDFA;
- 2.2.33** Assist OI with the reporting of claims; Be an advocate for the State on any disputed or problematic claims. In the event of an incident of high severity, act as an intermediary and advocate for the State with the markets to facilitate communication, data exchange, and prompt resolution of claims.
- 2.2.34** Monitor claims submitted to the markets to ensure they are properly handled and responded to in a timely manner; Provide confirmation to OI with the markets on all claims, including claim number and representative contact information.
- 2.2.35** Assist and provide consultation to MDFA during State or nationally declared emergency events concerning catastrophic incidents involving FEMA, MEMA, and involved state agencies;

2.2.36 Perform all services provided in the Contract between the vendor and MDFA in accordance with customary and reasonable industry standards as well as in strict conformance to all laws, statutes, and ordinances and the applicable rules, regulations, methods and procedures of all government boards, bureaus, offices, and other agents. The vendor shall be responsible for the complete performance of all work; for the methods, means, and equipment used; and for furnishing all materials, tools, apparatus, and property of every description used in connection therewith. No statement within this RFP shall negate compliance with any applicable governing regulation. The absence of detail specifications or the omission of detail description shall be recognized as meaning that only the best commercial practices are to prevail, and that only first quality materials and workmanship are to be used.

SECTION 3. MINIMUM VENDOR REQUIREMENTS

The following minimum vendor requirements are mandatory. Failure to meet any of these requirements will result in disqualification of the proposal submitted by your company. Please respond by restating each minimum requirement, including the number listed below with documentation that proves specifically how your company meets that minimum criterion. Please include in your responses the total number of years and types of experience of your company. If, in the opinion of the procurement team, you fail to prove that your company meets any of these minimum requirements, the proposal will be disqualified from further evaluation. If this happens, you will be notified of the decision and will have an opportunity to provide additional information to prove your company does meet the minimum requirements. It is incumbent upon the disqualified vendor to respond timely and completely to any such notice as unreasonable delays and/or non-responsive submissions may result in the disqualification being upheld without further review.

3.1 References: References provided by the company must be familiar with the vendor's abilities in the areas involved with this solicitation. MDFA staff will use these references to determine the vendor's ability to perform the services. It is the responsibility of the vendor to ensure that the reference contact information is correct and current. MDFA staff will not track down references. Vendors should verify before submitting their proposal that the contact information provided is correct for each reference. Client references that cannot be contacted for verification will not be considered. The determination of the length of time an entity has provided these services will be based upon the initial date the vendor established a contractual relationship to provide such services.

For each client provided pursuant to **Subsections 3.1.1 through 3.1.4**, please specify:

- a. Client contact information, including the name, title, address, email address, and phone number of a person whom we may contact to confirm as needed,
- b. The specific type of work your company provided to the client (include brief description of services rendered and size of the group or how their program is similar in size and/or complexity to the State of Mississippi),
- c. Contract effective dates for the time period(s) (beginning and end dates) your company provided services to the client.
- d. Size of the client.

If two or more of the following reference requirements are met by the same client, list additional clients so there are at least three (3) clients listed for each section. If you are unable to provide three (3) clients for each reference, provide as many as you have and indicate in the response additional references meeting this requirement are not available.

3.1.1 List the three (3) largest property insurance clients for whom you are providing (or have provided) services similar to those requested in this RFP, at least two (2) being state government clients with property exposures similar to the State of Mississippi.

3.1.2 List three (3) governmental property insurance clients, of which one (1) must be a state government client, for whom you are providing (or have provided) services similar to those requested in this RFP.

- 3.1.3** List three (3) private sector property insurance clients for whom you are providing (or have provided) services similar to those requested in this RFP.
- 3.1.4** List of all clients that have discontinued use of your company's services in the past five (5) years and your understanding for their discontinued use of your services.
- 3.2** The proposing vendor must possess a minimum of ten (10) years' experience **as of August 1, 2023**, as an organization providing insurance brokerage services for public entity and/or non-profit organization programs equivalent or similar in type, requirements, and scale to those required in this RFP. The proposing vendor must have experience in structuring, planning, binding, and servicing complex commercial property insurance programs. The proposing vendor must provide sufficient detail to demonstrate it has the minimum required experience in working with programs similar in type, size, and complexity by providing client reference(s). Please confirm.
- 3.3** The proposing vendor must possess a minimum of ten (10) years' experience **as of August 1, 2023**, as an organization providing FEMA public assistance, disaster preparation, and claim consulting services for public entity and/or non-profit organization programs equivalent or similar in type, requirements, and scale to those required in this RFP. Broker subcontracted service providers will be considered. The proposing vendor must provide sufficient detail to demonstrate it has the minimum required experience in working with programs similar in type, size, and complexity by providing client reference(s). Please confirm.
- 3.4** The proposing vendor must provide a dedicated (but not necessarily exclusive) account manager, who must have a minimum of ten (10) years of commercial insurance brokerage experience relative to all aspects of the Contract between the MDFA and the Vendor. The proposing organization must provide sufficient detail to demonstrate the proposed individual meets this requirement via resume as an appendix to your proposal in Section 10. Please confirm.
- 3.5** **Required Certification, Accreditation, and/or Licenses:** The proposing vendor must possess and maintain the minimum vendor certifications, accreditations, and/or licensures described in this RFP, by way of illustration and not limitation, the following: licensed and registered as an insurance broker and surplus broker in the State of Mississippi or hold a Certificate of Authority from the Mississippi Insurance Department. The vendor shall provide a copy of all valid licenses and certificates required for the performance of the work. The copy shall be delivered to MDFA no later than ten (10) days after the vendor receives the Notice of Intent-to-Award from MDFA. A current copy of licenses and certificates shall be provided to MDFA within twenty-four (24) hours of demand at any time during the Contract term. Please confirm.
- 3.6** The proposing vendor must comply with all licensing, financial, and other requirements for insurance companies, including brokers, as well as for foreign entities pursuant to Mississippi Code Annotated § 83-17-1 through 7 and 83-21-1 through 17 as applicable. Please confirm.
- 3.7** The proposing vendor must specify if the parent organization, or any other form, or its affiliates will have a financial or any other interest, or manage, own, or operate a wholesale insurance or reinsurance broker and/or agency; managing general agent, insurance, or underwriter; or any other form of alternative risk or intermediary, to include captives, whether domestic or international, owned or not owned, that would be used to provide any of the services included in this RFP. If

this exists, then identify by name, state their purpose or intended use, and provide justification for their use in satisfying the scope of work of this RFP. Please confirm.

- 3.8 Implementation Guarantee:** The proposing vendor must agree to provide a One Million Dollars (\$1,000,000.00) **Performance Bond or Escrow Account**, naming MDFA as exclusive beneficiary, to guarantee timely and complete establishment of the Contract and related services. Such bond or escrow account must be obtained or established within thirty (30) days of contract award. The bond shall be a corporate surety bond issued by a surety company authorized to do business in the State of Mississippi; while an escrow account is subject to approval by agency legal counsel. Any failure of the Vendor to perform timely and complete establishment of such services shall result in damages recoverable by the MDFA against the implementation bond or escrow account. This requirement will not apply if the incumbent Vendor with services established under the current contract is selected through this procurement process to enter negotiations for the new contract. Upon the agreement by the MDFA that the Vendor has complied with its implementation responsibilities, the implementation bond shall be released. Please confirm.
- 3.9** The proposing vendor must agree to provide and maintain, throughout the term of the Contract, at its own expense, **Professional Liability** insurance. Such policy of insurance shall provide a minimum coverage in the amount of One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) annual aggregate issued by an insurance company authorized to do business under the laws of the State of Mississippi, meaning the insurance carrier must be licensed or hold a Certificate of Authority from the Mississippi Insurance Department. This insurance shall provide coverage to the MDFA as an additional insured. The Vendor shall annually provide MDFA a current Certificate of Insurance. Please confirm.
- 3.10** The proposing vendor must agree to provide and maintain, throughout the term of the contract, at its own expense, a One Million Dollars (\$1,000,000.00) **Employee Dishonesty or Fidelity Bond** with third party liability coverage and with MDFA named as exclusive beneficiary for the duration of the Contract. Pursuant to such bond, any losses incurred by MDFA due to theft or dishonesty of a Vendor employee shall be fully reparable to MDFA. The Vendor shall be responsible for procuring any such recovery and reimbursing MDFA accordingly. Insurance policy shall be issued by an insurance company authorized to do business under the laws of the State of Mississippi, meaning the insurance carrier must be licensed or hold a Certificate of Authority from the Mississippi Insurance Department. Please confirm.
- 3.11** The proposing vendor must be an independent entity, with no real or perceived conflicts of interest with regard to its relationship with any employee and/or staff member of MDFA and/or any other entity participating directly or indirectly in the procurement of these services. Please confirm.
- 3.12** The proposing vendor must comply with Mississippi Code Annotated § 79-4-15.01 regarding authorization to transact business in Mississippi. Please confirm.
- 3.13** The proposing vendor must agree to perform all services required in this RFP in accordance with customary and reasonable industry standards as well as in strict conformance to all laws, statutes, and ordinances and the applicable rules, regulations, methods and procedures of all government boards, bureaus, offices, and other agents whether currently in place, updated and replaced, or newly created. The proposing vendor shall be responsible for the complete performance of all work; for the methods, means, and equipment used; and for furnishing all materials, tools,

apparatus, and property of every description used in connection therewith. No statement within this RFP shall negate compliance with any applicable governing regulation. The absence of detail specifications or the omission of detail description shall be recognized as meaning that only the best commercial practices are to prevail, and that only first quality materials and workmanship are to be used. Please confirm.

SECTION 4. PERFORMANCE STANDARDS

Please respond by restating each performance standard listed and confirm your agreement to be bound by this standard by stating, “*Confirmed*”. If your company has exceptions to the standard, respond by stating, “*Confirmed, but with exceptions*” and include your exceptions in **Section 5, Statement of Compliance and Exception(s) form**. If your company cannot agree to the standard, respond by stating, “*Do Not Agree*” and include your reason for not agreeing in **Section 5, Statement of Compliance and Exception(s) form**.

The Vendor must agree to the following minimum performance standards and applicable liquidated damages. The OI reserves the right to reduce or waive any fees at risk if, in the OI’s sole discretion, failure to meet a performance standard was due to extraordinary circumstances.

PERFORMANCE GUARANTEES

It is the intent of the MDFA to assess liquidated damages to any vendor who fails to meet the minimum performance standards listed below. The final contract between the MDFA and the Vendor will incorporate the specific terms and conditions under which such damages may be assessed, including the measurement methodology, amounts, and recovery provisions. Any objections, suggestions, or proposed conditions you have to these standards and this process should be included in your signed Statement of Compliance and Exception(s) form (Section 5).

The following performance standards and discount guarantees will apply separately to each year of the resulting contract:

Performance Standard Topic	Description of Standard	Guarantee	Amount at risk
Key Deliverables 1	Program will be bound effective April 29 th annually with delivery of binders by May 1 st or before.		The flat annual fee otherwise due to the Vendor will be reduced by fifty percent (50%) when this Key Deliverable is not successfully completed and delivered in the timeframe stated herein.
Key Deliverables 2	Vendor will deliver electronic copies of all coverage documents/policies; All documents shall be submitted electronically (as requested) within 150 calendar days of their effective date with binders submitted on effective date. All coverage placed with multiple layers must include an Excel or other graphic display of the placement showing markets, policy numbers, limits, premiums, taxes, fees,		The flat annual fee otherwise due to the Vendor will be reduced by \$1,000 per day when this Key Deliverable is not successfully completed and delivered in the timeframe stated herein.

	and commissions, if applicable, per layer.		
--	--	--	--

Any liquidated damages assessed as the result of documented noncompliance with any of the aforementioned performance standards and/or discount guarantees will become due and payable within 30 days after the Vendor receives written notification of same. Any such payments that become due may be made directly to OI by the Vendor or offset by OI against the next annual service fee.

SECTION 5. STATEMENT OF COMPLIANCE AND EXCEPTION(S) FORM

If a vendor objects to any terms, conditions, or requirements listed in the *MDFA OI's Request for Proposal for Commercial Insurance Brokerage Services, dated July 27, 2023*, including all RFP attachments and amendments, the vendor must list and explain the exceptions taken. If no exceptions are taken, then the vendor shall state on the form "No Exceptions Taken." Failure to indicate any exception will be interpreted as the vendor's intent to comply fully with the requirements as written. Failure to complete and/or sign may result in vendor being determined nonresponsive. Please carefully review the information located in **RFP Section 5, Statement of Compliance and Exception(s) Form**, and include a copy **signed by an officer, principal, or owner** of your company with your completed proposal. Failure to submit a signed Statement of Compliance and Exception(s) form may result in your proposal being eliminated from further consideration. If you object to any of the terms and conditions included in the *Draft Commercial Insurance Brokerage Services Contract* (refer to **RFP Appendix A**), or any requirements listed in this RFP, please note and explain your objection(s) on the Statement of Compliance and Exception(s) form. Clauses in **blue** type in the *Draft Contract* are deemed mandatory and are nonnegotiable.

Conditional or qualified proposals, unless specifically allowed, shall be subject to rejection in whole or in part. The proposal must contain a high degree of acceptance of contract terms and conditions listed in the draft contract provided as **Appendix A** of this RFP. Refer to **RFP Section 9.15**.

A proposal response that includes terms and conditions that do not conform to the terms and conditions in the RFP and the draft contract is subject to rejection as non-responsive. The MDFA reserves the right to permit the vendor to withdraw nonconforming terms and conditions from its proposal response prior to a determination by the MDFA of non-responsiveness based on the submission of nonconforming terms and conditions. As a precondition to proposal acceptance, the MDFA may request the vendor to withdraw or modify those portions of the proposal deemed non-responsive that do not affect the quality, quantity, price, or delivery of the service.

Statement of Compliance and Exception(s) Form

Vendor taking exception to any part or section of the solicitation shall indicate such exceptions on the table below. If no exceptions are taken, then the vendor shall state in this section “No Exceptions Taken.” Failure to indicate any exception will be interpreted as the vendor’s intent to comply fully with the requirements as written. Conditional or qualified proposals, unless specifically allowed, shall be subject to rejection in whole or in part.

We agree to adhere to all terms, conditions, and requirements as set forth in the *MDFA OI’s Request for Proposal for Commercial Insurance Brokerage Services, dated July 27, 2023*, including all RFP amendments, and the conditions contained in the draft contract included as **RFP Appendix A, Draft Commercial Insurance Brokerage Services Contract**, except as listed below:

Procurement Section and Page Number	Original Language	Requested Change/Exception	MDFA Decision
1.			
2.			
3.			

An original signature is required below. This statement must be signed by an appropriate vendor officer, principal, or owner and returned as part of your proposal.

Company Name: _____

Printed Name of Representative, Title: _____

Date: _____

Signature: _____

Note: Failure to sign this form may result in the proposal being rejected as non-responsive. Modifications or additions to any portion of this proposal document may be cause for rejection of the proposal.

SECTION 6. GENERAL QUESTIONNAIRE

Failure to answer the following general questionnaire completely will result in Vendor being determined nonresponsive. In preparing your written response to the narrative questionnaire below, you are required to repeat each question, including the number, or requirement followed by your response. Please provide complete answers and explain all issues in a concise, direct manner. If you cannot provide a direct response for some reason (e.g., your company does not collect or furnish certain information), please indicate the reason rather than providing general information that fails to answer the question. “Will discuss” and “will consider” are not appropriate answers.

- 6.1** Provide the name, title, mailing address, email address, and telephone number of the contact person for this proposal.
- 6.2** Provide the physical location and mailing address of your company’s home office, principal place of business, and place of incorporation.
- 6.3** State the full legal name of your company, and provide the web address, address, and telephone number of your principal place of business.
- 6.4** List the office that will service the MDFA. If it is located at a different address than the home office, provide the complete address, phone number, facsimile number for this office, general functions, and the number of full-time employees.
- 6.5** Is your company licensed and/or certified to provide the services required in this RFP and as required by any and all applicable Federal and State law(s)?
- 6.6** Describe your organizational structure. Indicate whether your company operates as a corporation, partnership, individual, etc. If it is incorporated, include the state in which it is incorporated, and list the names and occupations of those individuals serving on your company’s Board of Directors.
- 6.7** List the name and principal occupation or business of any person or entity owning ten percent (10%) or more of your company.
- 6.8** Describe any ownership interest or other financial compensation your company has in any agency insurer, re-insurer, or other entity that you would use in placing coverage for MDFA. Explain the steps to be taken to avoid any conflict of interest.
- 6.9** Describe any ownership or name changes your company has been through in the past three (3) years. Are any ownership or name changes planned?
- 6.10** Describe any changes in the organizational structure that have occurred within your company over the past twenty-four (24) months or are anticipated during the next twenty-four (24) months including, but not limited to, addition or elimination of product or business lines, mergers, acquisitions, etc.
- 6.11** How long has the company been providing the equivalent or similar services in requirements and scale to the commercial property insurance brokerage services described within this? Indicate the month and year in which your company was established.

- 6.12** State if the proposed account manager, any officers, or principals and/or their immediate families are or have been within the preceding twelve (12) months, employees or elected officials of the State of Mississippi.
- 6.13** Provide a brief description of any outside vendors or subcontractors that will be involved in providing key services detailed within your proposal. Please include the term of your current contract with each vendor or subcontractor. Describe the nature of the relationship with the subcontractor, including any ownership interest.
- 6.14** Has your company ever been involved in a lawsuit involving any area covered by this RFP? If the answer is yes, please provide details including dates and outcomes.
- 6.15** During the past five (5) years, has your company, related entities, principals, or officers ever been a party in any material criminal litigation, whether directly related to this RFP or not? If the answer is yes, please provide details including dates and outcomes.
- 6.16** Has your company been cited or threatened with a citation within the last three (3) years by federal or state regulators for violations of any federal, state, or local law or federal, state, or local regulation? If the answer is yes, please describe the circumstances in detail.
- 6.17** For how many customers has your company provided the equivalent or substantially similar services in requirements and scale to those services described in this RFP in the past five (5) years? Include the approximate amount of total coverage you have placed for them and indicate what percentage of the client number and placed coverage is for public entities.
- 6.18** Provide the approximate number of large (\$5 billion TIV+) property brokerage clients you currently have, including the approximate amount of total property insurance coverage you have placed for them. Identify, by type, how many of these clients are public entities.
- 6.19** List your company's top five (5) wholesale insurance providers and your experience with them.
- 6.20** Confirm the proposal is valid for one (1) year after the date of submission.
- 6.21** Confirm that your company is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from a covered transaction by any federal department or agency, or by any political subdivision or agency of the State of Mississippi.

SECTION 7. TECHNICAL QUESTIONNAIRE

Failure to answer the following questionnaire completely will result in Vendor being determined nonresponsive. In preparing your written response to the narrative questionnaire below, you are required to repeat each question, including the number, or requirement followed by your response. Please provide complete answers and explain all issues in a concise, direct manner. If you cannot provide a direct response for some reason (e.g., your company does not collect or furnish certain information), please indicate the reason rather than providing general information that fails to answer the question. “Will discuss” and “will consider” are not appropriate answers.

7.1 Account Management

7.1.1 Describe the team dedicated to providing the requested scope of services for the MDFA. Specifically,

- a. Identify the dedicated account manager who will serve as the primary contact for the MDFA.
- b. Provide a job description including experience requirements of the claims advocate, claims manager, customer service advocate or manager, and any supervisory and/or support personnel who will be assigned to this contract, and include resumes as an appendix to your proposal in Section 10.
- c. Provide the name(s) and resumes of all key personnel who will oversee and provide the services rendered to the MDFA, a brief statement as to why each person is qualified relative to this work and identify area(s) of expertise for each key person, detailed information on any special training or designation, and each person’s respective total number of years of experience related to the services being requested in this RFP. Include all resumes as an appendix to your proposal in Section 10.

7.1.2 As it is essential that MDFA have prompt and direct access to the broker throughout the life of the contract, describe in detail how the broker will provide such access.

7.1.3 Confirm that you will meet with MDFA as needed to discuss on-going claims, market issues, upcoming initiatives/mandates, performance, and address administration issues?

7.2 Commercial Property Insurance Brokerage Services

7.2.1 Describe your company’s plan in detail for placing the State’s insurance coverages. Include your initial client evaluation process, a description of your planned market approach including examples of underwriting and syndicate meetings, the types of data that will be needed from MDFA, the scheduling for both initial and renewal coverage placement efforts, your expectations of MDFA personnel in regard to their interaction and/or assistance/participation in the marketing process, and any other information you believe to be pertinent to the process.

7.2.2 Describe your company’s property risk engineering/loss prevention capabilities and the specific methodology that you would employ to assist the State with its loss prevention efforts.

7.2.3 Describe your company’s capabilities in data analytics including natural catastrophe modeling and outline how this information is developed and utilized.

- 7.2.4** Detail what makes your company’s modeling capabilities unique and effective.
- 7.2.5** Discuss the top exposure risks for the State of Mississippi as well as your company’s strategy to mitigate these risks.
- 7.2.6** In the hardened insurance market, we now face, discuss any restructuring of programs or alternative risk transfer options that your company has experience with for state governments. Provide examples.
- 7.2.7** List at least fifteen (15) insurers you expect to consider for providing coverage to the State. For each insurer (for Lloyds syndicates, cite overall Lloyd’s experience), describe in detail your relationship with and experience in placing similar coverage. Include to the extent possible, the number, type and size of policy placements, number of years of experience, and any other information pertinent in evaluating your ability to secure a competitive quotation from the carrier(s). Discuss in detail how you place coverage direct to the market as well as how you use the wholesale market for large complex insurance programs. List common or most used wholesale markets and your company’s relationships with them. List said carrier’s current A.M. Best Company’s ratings as verifiable in the most recently published Best’s Insurance Report.
- 7.2.8** Provide a list of relevant major insurance carriers likely to match MDFA’s needs in order of your priority. Demonstrate your firm’s relationship with these insurers (i.e., premium volumes, other accounts, or other information). List said carrier’s current A.M. Best Company’s ratings as verifiable in the most recently published Best’s Insurance Report.
- 7.2.9** Describe a current or past insurance placement with a state government and provide details about the direct insurance placement versus wholesale insurance placements as well as international insurers versus domestic insurers.
- 7.2.10** Describe your company’s claims advocacy and claims consulting services. Include how such services will be deployed in the event of a large claim event and how your company’s claims personnel interface with your day-to-day service team.
- 7.2.11** Describe your company’s experience working with FEMA on a pre-loss/post-loss basis. Include how you work with the client to expedite the claims (FEMA and insurance) recovery process and maximize potential claim recoveries.
- 7.2.12** Explain how your company provides prompt and direct access to the client throughout the term of the contract. List examples.
- 7.2.13** Does your company provide any direct insurance placement to the market? If the answer is yes, list the direct insurers with whom you have experience and indicate the portion of our program you anticipate placing in this manner.
- 7.2.14** If your company’s intention is to accept compensation other than the annual broker fee quoted in **Section 8, Fee Schedule**, of your proposal (commissions, placement fees, or any other means, directly or indirectly), fully detail how such compensation would be earned and how this will be reported to the State biannually and offset against the flat broker fee.
- 7.2.15** Provide a detailed description of any innovative concepts that your company will be offering at

no additional cost to the State.

7.2.16 Coverage Design – Provide an annual review and approach on how your company will structure the State’s property program, including suggested limits, appropriate coverages, deductibles, retentions, and other terms and conditions of coverage. The proposed approach should include, but not limited to, assisting MDFA in developing optional coverage and limit structures for the property insurance program and providing a projection (best/worst case) of premium levels and underwriting factors involved in the proposed insurance programs’ structure.

7.2.17 Strategic Risk Financing Consulting – Provide an annual review and summary of your company’s approach in identifying and evaluating suitable alternative risk financing methods given the State’s liability exposures. The proposed approach should include, but not limited to, presenting alternative risk financing methods to MDFA, including but not limited to self-insurance at various levels, captive insurance company options and other alternative financing programs as determined to be applicable to a Governmental entity; performing financial modeling to illustrate the costs and benefits of risk financing methods; and advising MDFA on the cost and benefits of all appropriate risk financing methods.

7.2.18 Insurance Procurement – The primary goal of the insurance procurement services is to ensure that State obtains the most cost-effective external risk financing options. The insurance procurement process must begin no later than December 1st of each contract year to ensure that coverage is bound before April 15th of each contract year. The specific tasks of insurance procurement include the following:

a. Marketing Strategy – Supplier shall provide a review and annual summary of how your company would propose to work with MDFA to market each insurance line of businesses, coverages and negotiate coverage and pricing with the insurers on behalf of MDFA. The proposed approach should include, but not limited to, the following: preparation of annual marketing strategy reports; searching the markets annually for the best price; providing proposals annually to the insured three (3) months before policy’s inception disclosing all carriers, coverage, premium estimates with minimum/maximum range, fees, and terms and conditions concerning coverage placements for the coming year; and detail your organization’s marketing strategy and entry points for both domestic third-party partners and international markets.

b. Insurance Placement – Provide an annual plan/review that describes how you will assist MDFA in compiling underwriter information for each insurance line of business. Plan must identify at least 3 insurers, which you would utilize in order of preference for each insurance line of business. These must be insurers that you would access directly on behalf of MDFA. The proposed approach should include, but not limited to, coordinating the placement/renewal process, providing recommendations to the MDFA regarding the insurance placement, formulating a price and coverage negotiating strategy, negotiating insurance programs (net of commission) on behalf of MDFA, and placing coverage for programs listed previously.

c. Policy Administration – Provide an annual review of your firm’s plan and available resources to perform the Policy Administration function as listed as follows: policy placement and issuance; checking binders, policies and endorsements to ensure they are

issued according to specifications, prior to delivery to MDFA; forwarding insurance policies and/or binders to MDFA before or on the policy effective date; providing an annual summary of program terms and costs; issuing endorsements and insurance certificates; assisting MDFA with property exposure issues and insurance contract provisions; monitoring insured losses and provide insured claims status reports to MDFA on at least a monthly basis; attending meetings with State personnel as needed to discuss insurance and claims issues; and finalizing the renewal process. The supplier is required to provide to MDFA renewal proposals detailing coverage, limits, retentions, and firm prices by March 1st each year prior to the renewal effective date. This March date is required to allow for meetings and discussions with the Mississippi State Legislature before their adjournment sine die. The supplier is responsible for negotiating renewal terms, conditions, and pricing on behalf of MDFA. Approaching the insurance market in the event of non-renewal, cancellation, or if MDFA decides to explore alternative coverages, limits or pricing. Advising on changes in the marketplace.

7.3 Approach and Methodology

- 7.3.1** The proposing vendor should communicate understanding of the nature of the project and how its proposal will best meet the needs of MDFA. Specialized or unique facilities, services, and/or staff members that will be utilized for the resulting contract should be described with the benefits of such explained. Be sure to address the following concepts:
- a. Define the functional approach in providing the services.
 - b. Define the tasks necessary to meet requirements, giving detailed descriptions of each.
 - c. Describe the approach to time management and quality assurance.
 - d. Provide a proposed work plan that reflects the approach and methodology, tasks and services to be performed, deliverables, timetables, and staffing.

7.4 Performance Standards

- 7.4.1** The MDFA requires guarantees of performance.
- a. Please review the performance standards included in **Section 4, Performance Standards**, of this RFP and confirm your willingness to accept the performance standards.
 - b. If you are not agreeable to the provided performance standards, please detail your objections and propose recommendations in **Section 5, Statement of Compliance and Exception(s) form**, of this RFP.

SECTION 8. FEE SCHEDULE

The Fee Schedule must be submitted as described herein. Modification or addition to any portion of the Fee Schedule may be cause for rejection of the proposal.

The fee proposed by the broker shall take into account all costs to provide the base brokerage services identified in this RFP, including any fees charged by intermediaries (e.g., wholesale brokers) and/or commissions received or to be received by intermediaries for the placement of insurance coverage(s). Any fees and/or commissions, taken by the broker and/or any intermediaries in the placement of insurance coverage(s) must be disclosed to MDFA OI and will be netted against the broker’s proposed fee. The broker must also opt out of accepting contingency commissions for any insurance coverage placed under this contract. All pricing shall include all associated costs with no additional or hidden fees. The fees/rates for each of the five (5) years must be included.

The fixed fee is expected to represent the total compensation received by the Vendor for these services with no additional compensation in the form of commission, etc. expected. Any additional compensation received by the Vendor shall be reported biannually and must reduce the amount paid to the broker from the fixed fee quoted below.

Brokerage services inclusive of travel, all consulting expenses, and costs for use of a domestic wholesaler, if applicable, for the Statewide Property Program.	Flat Annual Fee
Year 1 (10/01/2023 – 09/30/2024)	
Year 2 (10/01/2024 – 09/30/2025)	
Year 3 (10/01/2025 – 09/30/2026)	
Year 4 (10/01/2026 – 09/30/2027)	
Year 5* (10/01/2027 – 09/30/2028)	

* *Optional Renewal Year*

For insurance coverage placement, a maximum six percent (6%) commission rate will be allowed for those placements utilizing a foreign wholesale/intermediary broker. Any earned foreign wholesale/intermediary broker commission in excess of the six percent (6%) will be returned to the OI. All foreign wholesale/intermediary compensation must be pre-agreed by OI and fully disclosed. For all premiums placed through domestic brokers that have a commission component, this commission must be identified and refunded to OI. Contingent commissions from any carrier is not allowed. The Vendor is prohibited from accepting any contingent income, profit sharing, enhanced commission, or other forms of hidden income associated with the Contract. Confirm that compensation, including direct and contingent, on all market proposals will not be assessed or will be credited to the premium billed.

The pricing quoted above shall constitute the entire compensation due to the selected vendor for services rendered and all of the selected vendor’s obligations hereunder regardless of the difficulty, materials, or equipment required. No additional compensation will be provided by OI for any expense, cost, or fee not specifically authorized by the resulting contract. OI shall not provide any prepayments or initial deposits in advance of services being rendered. Fees for services provided by the selected vendor shall be billable to OI in arrears on a biennial basis, following property programs placement and completion of the contract year. Only those services agreed to by contract shall be considered for reimbursement/compensation by OI. Payment for any and all services provided by the selected vendor to OI shall be made only after said

services have been duly performed and properly invoiced. The fees listed above are firm for the duration of the resulting contract and are not subject to escalation for any reason unless the resulting contract is duly amended.

The Contractor shall submit all invoices in a form acceptable to OI with all of the necessary supporting documentation prior to the payment of allowable costs. Such invoices will, at a minimum, include the appropriate descriptions of the services being billed or other bases for charges included in **RFP Section 9, Fee Schedule**. The payment of an invoice by OI shall not prejudice OI's right to object or question any invoice or matter in relation thereto. Such payment by OI shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any costs invoiced therein. The Contractor's invoice or payment shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by OI, on the basis of audits, not to constitute allowable costs. Any payment shall be reduced for overpayment or increased for underpayment on subsequent invoices. For any amounts which are or shall become due and payable to OI and/or OI by the Contractor, OI reserves the right to (1) deduct from amounts which are or shall become due and payable to OI under contract between the parties; or (2) request and receive payment directly from the Contractor within fifteen (15) days of such request, at OI's sole discretion.

OI reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under the contract between the parties any amounts which are or shall become due and payable to OI by the Contractor. Notwithstanding anything to the contrary herein, any reduction of payments to shall be made only with the prior agreement of both parties. In addition, in the event of termination of the contract for any reason, the Contractor shall be paid for services rendered and allowable expenses incurred up to the effective date of termination.

SECTION 9. RFP PROCESS OVERVIEW FOR VENDORS

9.1 Instructions to Vendors

- Proposals must be submitted by **2:00 PM CST on August 29, 2023**.
- Proposals may be submitted in a paper format via the two address options below or electronically via the State of Mississippi's Accountability System for Governmental Information and Collaboration (MAGIC). Registering as a supplier with the State of Mississippi allows businesses to register for upcoming RFX opportunity notifications by the products or services they supply, search the system for upcoming RFXs, respond to RFXs electronically, and receive purchase orders by email. In order to register, please go to the following website: <https://www.dfa.ms.gov/vendor-information>. Electronic proposals submitted through MAGIC shall follow the same format as specified within this section.
- **Paper Format** - To prevent opening by unauthorized individuals, all proposal submissions must be sealed in an envelope or package and marked, "**SEALED PROPOSAL – DO NOT OPEN**". The sealed envelope or package shall be marked with the Proposal opening time and date, and the number of the RFP. Proposals are subject to rejection unless submitted with the information included on the outside the sealed proposal envelope or package.

Sealed proposals should be mailed or hand-delivered to and labeled as follows:

Address if mailing proposals:

RFP RFX Number 3120002671 for Commercial Insurance Brokerage Services
Opening Date: 3:00 PM CST, August 29, 2023
Mississippi Department of Finance & Administration, Office of Insurance
Attention: Alicia Coleman, MDFA OI Procurement and Contracts Director
P.O. Box 24208
Jackson, Mississippi 39225-4208
SEALED PROPOSAL – DO NOT OPEN

Address if hand delivering proposals:

RFP RFX Number 3120002671 for Commercial Insurance Brokerage Services
Opening Date: 3:00 PM CST, August 29, 2023
Mississippi Department of Finance & Administration, Office of Insurance
Attention: Alicia Coleman, MDFA OI Procurement and Contracts Director
501 North West Street, Suite 901-B Woolfolk Building
Jackson, Mississippi 39201
SEALED PROPOSAL – DO NOT OPEN

The time and date of receipt will be indicated on the sealed proposal envelope or package by Agency staff. The only acceptable evidence to establish the time of receipt at the office identified for proposal opening is the time and date stamp of that office on the proposal wrapper or other documentary evidence of receipt used by that office.

If submitted in a paper format, the original written proposal shall be signed with two identical copies of the original each submitted in a three-ring binder. The three (3) file versions of their proposal described below (Complete, Blind and Redacted) must be clearly labeled/identified. One electronic copy must be included with the three (3) separate/distinct files in a searchable Microsoft Office® format, preferably in Word® or Portable Document Format (PDF®) on flash drive or compact disk.

- Proposals submitted by facsimile (fax) machine will not be accepted/considered.
- All vendors are urged to take the possibility of delay into account when submitting a proposal. Timely submission of the proposal package is the responsibility of the vendor. Proposals received after the specified time will not be considered. It is suggested that if a proposal is mailed to MDFA, it should be posted in certified mail with a return receipt requested. MDFA will not be responsible for mail delays or lost mail. All risk of late arrival due to unanticipated delay – whether delivered by hand, U.S. Postal Service, courier or other delivery service or method – is entirely on the vendor.
- Proposals received after the specified time will be rejected and maintained unopened in the procurement file. A proposal received at the place designated in the solicitation for receipt of proposals after the exact time specified for receipt will not be considered unless it has been determined by the Agency that the late receipt was due solely to mishandling by the Agency after receipt at the specified address.
- **Submission Format** – Each vendor must submit their proposal in the style and format outlined herein.

The proposal shall consist of three (3) separate units: Cost, Technical, and Management. Pursuant to Mississippi Code Annotated §§ 27-104-7 and 31-7-401 through 31-7-423, the State of Mississippi requires a blind evaluation of certain factors not requiring knowledge of the name of the vendor. All vendor-identifying information shall be removed and/or redacted. Identifying information includes, but is not limited to, any prior, current, and future names or addresses of the vendor, any names of incumbent staff, any prior, current and future logos, watermarks, and company colors, any information which identifies the vendor as an incumbent, and any other information, which would affect the blind evaluation of technical factors. The Technical Unit shall have no identifying information, while the Cost and Management Units will be allowed to have identifying information. Any proposals that do not adhere to these requirements within the “Blind” copy described below will be deemed non-responsive and may be rejected on that basis.

The three units of the proposal shall be comprised of the following eleven (11) sections. It is the vendor’s responsibility to organize and separate the information into the units and sections accordingly. **Cost Unit is Section 8; Technical Unit consists of Section 7; and Management Unit consists of Sections 1-6 and 9-11.**

The proposal should be labeled and submitted as applicable per file version:

Section 1 – Introduction/Signed Proposal Cover Letter

Section 2 – Scope of Services Confirmation

Section 3 – Minimum Vendor Requirements Confirmation

Section 4 – Performance Standards

Section 5 – Signed Statement of Compliance and Exception(s) form

Section 6 – General Questionnaire

Section 7 – Technical Questionnaire

Section 8 – Fee Schedule

Section 9 – Signed Acknowledgement of RFP Amendments (if any)

Section 10 – Résumés for Key Staff: Provide a complete résumé of key vendor staff who will be assigned to render services to the MDFA, including detailed information on any special training or designations and each person’s respective total number of years of experience related to the services being requested in this RFP.

Section 11 – Any Additional Information Not Specifically Requested: If you have additional information you would like to provide, include it as Section 11 of your proposal. It is the vendor’s sole responsibility to submit information relative to the evaluation of its proposal and the MDFA is under no obligation to solicit such information if it is not included with the proposal.

- Each page of the proposal should be numbered. Multiple page attachments and samples should be numbered internally within each document, and not necessarily numbered in the overall page number sequence of the entire proposal. The intent of this requirement is for the vendor to submit all information in a manner that it is clearly referenced and easily located.
- Vendors shall submit the following three (3) versions of their proposal as separate/distinct files:
 1. **Complete Proposal File** - Provide one (1) electronic copy of the complete proposal including all attachments in a searchable Microsoft Office® format, preferably in Word® or Portable Document Format (PDF®);
 2. **Blind Proposal File** - Provide one (1) electronic “blind” technical proposal (Section 7 or Technical Unit) in a searchable Microsoft Office® format, preferably in Word® or PDF®. The vendor is responsible for ensuring that the “blind” copy shall have no identifying information, specifically within the technical proposal. This requirement is necessary to help ensure the anonymity of the vendors from the evaluation committee that will review proposals. **Blind proposals containing vendor-identifying information may be disqualified;** and
 3. **Redacted Proposal File** - Provide one (1) “redacted” electronic copy of the complete proposal including all attachments and referenced documents in a searchable Microsoft Office® format, preferably in Word® or PDF®, if the proposal contains confidential information, as described below. If any portion of the proposal is considered confidential or proprietary, the vendor shall also include an additional electronic “redacted” copy in PDF® of the complete proposal, including all appendices and exhibits, with all trade secrets or confidential commercial or financial information redacted. If the proposal does not contain any confidential information to be redacted, please state such in your Introduction/Signed Proposal Cover Letter. Failure to submit an

electronic “redacted” copy of your proposal or include a statement that no information will be redacted may cause your proposal to be considered incomplete and it may be rejected from consideration.

Any vendor claiming that its response contains information exempt from the Mississippi Public Records Act (Mississippi Code Annotated §§ 25-61-1 *et seq.* and 79-23-1), shall segregate and mark the information as confidential and provide the specific statutory authority for the exemption. If the proposal contains confidential information, one (1) redacted electronic copy of the complete proposal including all attachments shall be submitted in a searchable Microsoft Office® format, preferably in Word® or PDF®.

If a redacted copy is not submitted, OI shall consider the entire Proposal to be public record.

The redacted copy should identify which section or information has been redacted and the vendor shall provide the specific statutory authority for the exemption. Per Mississippi Code Annotated § 25-61-9(7), the type of service to be provided, the price to be paid, and the term of the contract cannot be deemed confidential.

The redacted copy shall be considered public record and immediately released, without notification to the vendor, pursuant to any request under the Mississippi Public Records Act, Mississippi Code Annotated §§ 25-61-1 *et seq.* and 79-23-1. Redacted copies shall also be used/released for any reason deemed necessary by OI, including but not limited to, submission to the PPRB, posting to the Transparency Mississippi website, etc.

In accordance with *PPRB OPSCR Rules and Regulations Section 1-301*, “Any party seeking a protective order on a procurement contract awarded by state agencies shall give notice to and provide the reasons for the protective order to the party requesting the information in accordance with the Mississippi Rules of Civil Procedure. The notice and reasons for the protective order must also be posted on the Mississippi Procurement Portal for a minimum of seven (7) days before filing the petition seeking the protective order in a chancery court. Any party seeking a protective order in violation of this subsection may be barred by a state agency from submitting bids, proposals or qualifications for state procurements for a period not to exceed five (5) years.” Any records requested through a public records request shall be released no later than twenty-one (21) days from the date the third parties are given notice by the public body unless the third parties have followed the notification requirements and filed in chancery court a petition seeking a protective order on or before the expiration of the twenty-one (21) daytime period.

- All documentation submitted in response to this RFP and any additional information submitted in response to subsequent requests for information pertaining to this RFP shall become the property of OI and will not be returned to the vendor.
- All information requested is considered important. Failure to provide all requested information and in the required format may result in disqualification of the Proposal. OI has no obligation to locate or acknowledge any information in the proposal that is not presented under the appropriate outline and in the proper location according to the instructions herein.
- If determined that the vendor has altered any language in the original RFP, the MDFA may, at its sole discretion, disqualify the vendor from further consideration. The RFP issued by the MDFA is the official version and will supersede any conflicting language subsequently submitted in proposals.

9.2 Important Dates and Deadlines

July 27, 2023	Request for Proposal released
August 10, 2023, 5:00 PM CST	Questions and Requests for Clarification due to OI
August 15, 2023, 5:00 PM CST	Anticipated responses to vendor questions to be posted
August 29, 2023, 2:00 PM CST	Proposals submission deadline
August 29, 2023, 3:00 PM CST	Proposal Opening
September 15, 2023	Anticipated Finalists selected
September 20-22, 2023	Anticipated Presentations by finalists*
September 26, 2023	Anticipated Notice of Intent to Award distributed
2 Days following Notice of Intent to Award Issuance	Anticipated Notice of Contract Award published
3 Business Days of Notice of Intent to Award	Anticipated Post-Award Debriefing Request Due Date
3 Business Days of Debriefing Request	Anticipated Post-Award Debriefing Held by Date
7 Calendar Days of Notice of Intent to Award	Anticipated Protest Deadline Date
October 1, 2023	Contract(s) Effective Date/Services Begin

* Adjustments to the schedule may be made as deemed necessary by OI. The MDFA anticipates vendors selected as finalists will make presentations (possibly virtual) in Jackson, Mississippi. **Due to the constraints of the RFP timeline and the relative importance of presentations in the evaluation process, interested vendors are encouraged to be prepared to accommodate this schedule.**

9.3 Contact, Questions/Requests for Clarification, and Acknowledgment of Responses/RFP Amendments

Vendors must carefully review this solicitation, the Contract, risk management provisions, and all attachments for defects, questionable, or objectionable material. Following review, vendors may have questions to clarify or interpret the RFP to submit the best proposal possible. To accommodate the questions and requests for clarifications, vendors shall submit any such question via email by the deadline reflected in **RFP Section 9.2**. All questions and requests for clarifications must be directed by email to:

Alicia Coleman, MDFA OI Procurement and Contracts Director
Email: InsuranceRFP@dfa.ms.gov

Vendors should enter “**RFP RFx Number 3120002671 - Questions**” as the subject for the email. Question submittals should include a reference to the applicable RFP section and be submitted in the format shown below:

	RFP Section, Page Number	Vendor Question/Request for Clarification
1.		

Official responses will be provided only for questions submitted as described above and only to clarify information already included in the RFP. The identity of the organization submitting the question(s) will not be revealed. All questions and answers will be published on the Mississippi Contract/Procurement Opportunity Search Portal website and the MDFA's website as an amendment to the RFP by the date and time reflected in **RFP Section 9.2**.

The MDFA will not be bound by any verbal or written information that is not contained within this RFP unless formally noticed and issued by the contact person as an RFP amendment. Vendors are cautioned that any statements made by MDFA personnel that materially change any portion of the proposal document shall not be relied upon unless subsequently ratified by a formal written amendment to the proposal document.

From the issue date of this RFP until the final award is announced, all vendor communications regarding this RFP and solicitation must be directed to the Proposal Coordinator, Alicia Coleman. Unauthorized contact regarding the RFP with other employees of the MDFA may result in the vendor being disqualified, and the vendor may also be suspended, disbarred, or removed from consideration for award of contracts with the State of Mississippi for a period of two (2) years. At no time shall any vendor or its personnel contact, or attempt to contact, any MDFA staff regarding this RFP except the contact person as set forth and, in the manner, prescribed herein.

No pre-proposal conference will be held for this RFP.

OI reserves the right to amend this RFP at any time. Should an amendment to the RFP be issued, it will be posted on the Mississippi Contract/Procurement Opportunity Search Portal website and the MDFA's website under the heading "Solicitations" in a manner that all vendors will be able to view. Vendors must acknowledge receipt of any amendment to the solicitation by signing and returning the amendment with the proposal package, by identifying the amendment number and date in the space provided for this purpose on the RFP amendment, or by letter. The acknowledgment should be received by the MDFA by the time, date, and at the place specified for receipt of proposals. It is the vendor's sole responsibility to monitor the websites for any updates or amendments to the RFP. Questions and Answer document(s), if any are issued/posted on the Mississippi Contract/Procurement Opportunity Search Portal website and the MDFA's website, must be treated the same as an RFP Amendment, meaning they will require acknowledgement.

The RFP is comprised of the base RFP document, any attachments, any amendments issued prior to the submission deadline, and any other documents released before contract award.

9.4 Corrections and Clarifications

OI reserves the right to request clarifications or corrections to proposals. Any proposal received which does not meet any of the requirements of this RFP, including clarification or correction requests, may be considered non-responsive and eliminated from further consideration.

9.5 Modification, Withdrawal, or Rejection of a Proposal

Modifications or additions to any portion of the procurement document may be cause for rejection of the Proposal. OI reserves the right to decide, on a case-by-case basis, whether to reject a proposal with

modifications or additions as non-responsive. As a precondition to proposal acceptance, OI may request the vendor to withdraw or modify those portions of the proposal deemed non-responsive that do not affect quality, quantity, price, or delivery of the service. The RFP issued by OI is the official version and will supersede any conflicting RFP language subsequently submitted in proposals.

A vendor may withdraw a submitted proposal by submitting a written notification for its withdrawal to OI, signed by the vendor, and emailed, or mailed to the addresses provided **within RFP Section 9.1** prior to the time and date set for proposal opening. OI shall not accept any amendments, revisions, or alterations to proposals after the due date unless requested by OI. Late proposals shall not be considered for award and the vendor shall be notified as soon as practicable.

If the price bid/offered is substantially lower than those of other vendors, a mistake may have been made. A vendor may withdraw its proposal from consideration if certain conditions are met:

1. The proposal is submitted in good faith;
2. The price bid/offered is substantially lower than those of other vendors because of a mistake;
3. The mistake is a clerical error, not an error of judgment; and,
4. Objective evidence drawn from original work papers, documents, and other materials used in the preparation of the proposal demonstrates clearly that the mistake was an unintentional error in arithmetic or an unintentional omission of a quantity of labor or material.

To withdraw a proposal that includes a clerical error after proposal opening, the vendor must give notice in writing to OI of claim of right to withdraw a proposal. Within two (2) business days after the proposal opening, the vendor requesting withdrawal must provide to OI all original work papers, documents, and other materials used in the preparation of the bid/offer.

A vendor may also withdraw a bid/offer, prior to the time set for the opening of proposals, by simply making a request in writing to OI. No explanation is required.

No vendor who is permitted to withdraw a proposal shall, for compensation, supply any material or labor to or perform any subcontract or other work for the person to whom the Contract is awarded, or otherwise benefit from the Contract.

No partial withdrawals of a proposal are permitted after the time and date set for the proposal opening; only complete withdrawals are permitted.

A proposal that includes terms and conditions that do not conform to the terms and conditions in the RFP document is subject to rejection as non-responsive. Further, submission of a proposal that is not complete and/or signed is subject to rejection as non-responsive. OI reserves the right to permit the vendor to withdraw nonconforming terms and conditions from its proposal prior to a determination by OI staff of non-responsiveness based on the submission of nonconforming terms and conditions.

9.6 Right to Consider Historical Information

OI reserves the right to consider historical information regarding the vendor, whether gained from the vendor's proposal, conferences with the vendor, references, or any other source during the evaluation process. This may include, but is not limited to, information from any state or federal regulatory entity.

9.7 Right to Reject, Cancel and/or Issue Another RFP

OI specifically reserves the right to reject any or all proposals received in response to the RFP, cancel the RFP in its entirety, or issue another RFP.

9.8 Cost of Proposal Preparation

All costs incurred by the vendor in preparing and delivering its proposal, making presentations, and any subsequent time and travel to meet with the MDFA regarding its proposal shall be borne exclusively by the vendor.

9.9 Registration with Mississippi Secretary of State

By submitting a proposal, the vendor certifies that it is registered to do business in the State of Mississippi as prescribed by Mississippi law and the Mississippi Secretary of State or, if not already registered, that it will do so within seven (7) business days of being notified by the MDFA that it has been selected for contract award. Sole proprietors are not required to register with the Mississippi Secretary of State.

9.10 Vendor Investigations and Certifications

Before submitting a proposal, each vendor shall make all investigations and examinations necessary to ascertain all site conditions and requirements affecting the full performance of the Contract and to verify any representations made by the MDFA upon which the vendor will rely. If the vendor receives an award because of its proposal submission, failure to have made such investigations and examinations will in no way relieve the vendor from its obligation to comply in every detail with all provisions and requirements of the Contract documents, nor will a plea of ignorance of such conditions and requirements be accepted as a basis for any claim whatsoever for additional compensation.

By submitting a proposal, the vendor certifies the following:

1. That he/she has thoroughly read and understands the RFP and all attachments thereto;
2. That the company meets all requirements and acknowledges all certifications contained in the RFP and attachments thereto;
3. That it is not currently debarred from submitting proposals for contracts issued by any political subdivision or agency of the State of Mississippi and that it is not an agent of a person or entity that is currently debarred from submitting proposals for contracts issued by any political subdivision or agency of the State of Mississippi;
4. That the prices submitted in response to the solicitation have been arrived at independently and without, for the purpose of restricting competition, any consultation, communication, or agreement with any other vendor or competitor relating to those prices, the intention to submit a proposal, or the methods or factors used to calculate the prices bid/offered; and,
5. That such vendor has not retained any person or agency on a percentage, commission, or other contingent arrangement to secure this Contract.

The vendor agrees that submission of a signed proposal, fee schedule, and best and final offer (BAFO) (if requested), is certification that the vendor will accept an award made to it because of the submission. Under no circumstances, shall the maximum time for proposal acceptance by the State extend beyond one (1) year from the date of opening.

9.11 State Approval

It is understood that the resulting contract may require approval by the PPRB. If required and if this contract is not approved, it is void and no payment shall be made hereunder. Every effort shall be made by OI to facilitate rapid approval and a start date consistent with the proposed schedule.

9.12 Proposal Evaluation and Basis for Award

All proposals received in response to this RFP by the stated deadline will receive a comprehensive, fair, and impartial evaluation. A formal scoring methodology comprised of three phases – compliance, analysis, and finalist, will be utilized with each proposal required to pass the previous phase to qualify for further evaluation in the next phase. MDFA will use an evaluation committee to review and evaluate the proposals using a 100-point scale as well as consensus scoring. Consensus scoring involves a solidarity or general agreement of opinion among evaluators, based on information and data contained in the RFP proposals. The evaluation of any proposal may be suspended and/or terminated at the OI's discretion at any point during the evaluation process at which time OI determines that said proposal and/or vendor fails to meet any of the mandatory requirements as stated in this RFP, the proposal is determined to contain fatal deficiencies to the extent that the likelihood of selection for contract negotiations is minimal, or OI receives reliable information that would make contracting with the vendor impractical or otherwise not in the best interests of the MDFA and/or the State of Mississippi.

Compliance Phase - In this initial phase of the evaluation process, all proposals received are reviewed by the MDFA OI Procurement and Contracts Director and/or designee to determine if mandatory RFP requirements have been satisfied, meaning whether a proposal/vendor is responsive, responsible, and/or acceptable. Compliance requirements are not assigned a point percentage or score but are simply recorded as Pass or Fail.

- Every statement containing “must,” “shall,” “will,” etc., is a mandatory requirement. Failure to respond leads to mandatory proposal disqualification. Such mandatory requirements are to be clear and (preferably) standing alone.
- Every statement containing “may,” “can,” “should,” etc., is a desirable requirement. Vendors may ignore these if they wish. The only penalty for doing so is a possible loss of scoring points if the requirement has scoring points tied to it.

A Pass score is assigned to each factor for which the response to the question(s) defined is “Yes.” If any factor receives a Fail score or for some reason cannot be evaluated, an explanation of the problem or concern and the corresponding question must be evaluated and made part of the record, to include any allowable waivers.

Proposals with errors that do not alter the substance of the proposal can be accepted, and the MDFA OI Procurement and Contracts Director may allow the vendor to correct the problem prior to review if the irregularities are insignificant mistakes that can be waived or corrected without prejudice to other vendors. MDFA has the right to waive minor defects or variations of a proposal from the exact requirements of the specifications that do not affect the price, quality, quantity, delivery, or performance time of the services being procured. If insufficient information is submitted by a vendor with the proposal for the MDFA to properly evaluate the proposal, the MDFA has the right to require such additional information as it may deem necessary after the time set for receipt of proposals, provided that the information requested does not change the price, quality, quantity, delivery, or performance time of the services being procured.

Discussions may be conducted with vendors who submit proposals determined to be reasonably susceptible of being selected for the award, but proposals may also be accepted without such discussions. If any component received a Fail score (a “No” response) on any item or contains an item which for some reason cannot be evaluated, it shall be deemed as non-responsive and/or non-responsible. Failure to comply with these RFP requirements may result in the proposal being eliminated from further consideration. All proposals which are determined to be responsive, responsible, and/or acceptable will continue to next phase.

Analysis Phase - In this phase of the evaluation process, the evaluation committee will utilize consensus scoring to determine numerical scores for each proposal. The evaluation factors are listed in order of their relative importance and weight:

1. **Cost (Weight/Value of 36%/Points)** – Cost is reviewed by the MDFA OI Procurement and Contracts Director and/or designee as it is objectively scored based on the competitiveness of the proposed fees, rates, price, or cost offered. The lowest cost proposed will receive a maximum of 36 points allocated to cost. The point allocations for cost on the other offers will be evaluated according to the following formula: Price of the lowest responsive and responsible offer divided by the price of the responsive and responsible offer being rated times the maximum 36 points allocated for cost equals the awarded points.
2. **Technical (Weight/Value of 34%/Points)** – Technical factors are scored by the evaluation committee without knowledge of the identity of the vendor (blind) and generally aid in determining the vendor’s technical ability to perform the service or provide the commodity. The evaluation committee will provide consensus scores of the quality and completeness of the vendor’s solutions and action plans for providing the services identified, demonstrating understanding, responsiveness, effectiveness, efficiency, and value to the MDFA in proposed approach.
3. **Management (Weight/Value of 25%/Points)** – Management factors are scored with knowledge of the identity of the vendor and generally aid in determining the vendor’s past performance of the service or provision of the commodity. The evaluation committee will provide consensus scores of the personnel, equipment, and facilities to provide timely access to commercial insurance brokerage services for a plan of comparable size; the ability to technically implement and maintain the structure and resources for providing all services listed in this RFP, demonstrating where applicable the ability to perform the service reflected by technical training, education and general experience of staff and a documented record of past performance of providing services required in this RFP.

Finalist Phase - Upon completion of the Analysis Phase, the evaluation committee reviews and compares the numerical scores from among the vendors to determine finalists. The top scoring vendor, as well as all other vendors with scores within ten points of the top scoring vendor, will be named as finalists and will be further evaluated. In the finalist phase of the evaluation process, the evaluation committee will seek to determine from among the finalists whose proposal is the most advantageous to the MDFA. This phase consists of the following components:

1. **Record of Past Performance of Similar Work (Experience and Qualifications)** – From among the finalists, client references will be contacted to verify a demonstration of an acceptable level of past performance for programs of a similar size and complexity to this program.

Weight/Value – This component of the evaluation is considered pass/fail.

2. **Finalist Presentations and Site Visits (Weight/Value of 5%/Points)** – At the OI’s discretion, all finalists may be required to make a presentation to the evaluation committee. If scheduled, individual finalist presentations shall be held either in Jackson, Mississippi, or virtually, to allow the evaluation committee the opportunity to conduct technical interviews of the finalists, and to confirm/clarify information provided in the submitted proposals or otherwise gathered during the evaluation process. Any substantial oral clarification shall be reduced to writing by the vendor. The MDFA may also determine the need to conduct site-visits as a component of the evaluation process. The MDFA will provide at least five (5) days advance notice to the impacted vendors. At the MDFA’s discretion, site visits may be conducted for each finalist to allow the evaluation committee the opportunity to observe, confirm, and evaluate the vendor’s operations, systems, and respective resources as described in the response to the RFP. The MDFA may require access to the vendor’s claims data to confirm the accuracy of information provided in its proposal, and to evaluate quality of service provided. Due to the constraints of the RFP timeline and the relative importance of presentations and site visits in the evaluation process, interested vendors are encouraged to be prepared to accommodate this schedule.

3. **Best and Final Offer (BAFO)** – At the OI’s discretion, all finalists may be given the opportunity to provide a BAFO relative to their cost proposal. OI will notify finalists if a BAFO may be submitted and will establish a date and time for submission. Although a finalist is under no obligation to submit such an offer, any such BAFO should include any applicable revised financial exhibits and must be signed by an appropriate representative of your company. If a finalist chooses to not make a BAFO, the financial proposal included in your company’s response to the RFP will be considered as the BAFO. NOTE: Unsolicited BAFO, including but not limited to such offers submitted by non-finalists, will not be accepted. **Weight/Value – The numerical scores for the Cost factor from the Analysis Phase will be adjusted for any BAFO received from a finalist.**

Upon completion of the evaluation of proposals, the evaluation committee will determine the top scoring proposal and provide a recommendation to the MDFA. The MDFA will decide as to the proposal deemed most advantageous to the MDFA and will authorize the issuance of (an) intent to award the contract(s) to the selected vendor(s) and authorize contract negotiations with selected vendor(s). After such authorization by the MDFA, all participating vendors will be notified in writing of the contract award(s) and will be afforded the opportunity to participate in a post-award debriefing.

The MDFA intends to award one contract to provide the services described within this RFP to a responsible and responsive vendor whose proposal is determined in writing to be the most advantageous to the State taking into consideration the price and the evaluation factors set forth in this RFP. No other factors or criteria shall be used in the evaluation. Award for this procurement will be posted on the Mississippi Contract/Procurement Opportunity Search Portal website and the agency website at <https://www.dfa.ms.gov/bids-and-rfps-notices>. Vendors will be notified via email of the awards.

OI reserves the right to further clarify and/or negotiate with selected vendor(s) evaluated best following completion of the evaluation of proposals but prior to contract execution if deemed necessary. OI reserves the right to further clarify and/or negotiate with selected vendor(s) on any matter submitted to facilitate arriving at contract(s). OI also reserves the right to move to the next best vendor if negotiations do not lead to executed contract(s) with the best vendor(s).

9.13 Post-Award Vendor Debriefing

A vendor, successful or unsuccessful, may request a post-award vendor debriefing, in writing, by email (InsuranceRFP@dfa.ms.gov). Vendors should enter “**RFP RFX Number 3120002671 – Debriefings**” as the subject for the email. The written request must be received by Alicia Coleman, MDFA OI Procurement and Contracts Director, within three (3) business days of notification of contract award(s). A post-award vendor debriefing is a meeting and not a hearing; therefore, legal representation is not required. A debriefing typically occurs within three (3) business days of receipt of the request. If a vendor prefers to have legal representation present, the vendor must notify Alicia Coleman, MDFA OI Procurement and Contracts Director, in writing and identify its attorney by name, address, and telephone number. The MDFA will schedule and/or suspend and reschedule the meeting at a time when a Representative of the Office of the Mississippi Attorney General can be present.

For additional information regarding Post-Award Vendor Debriefing, as well as the information that may be provided and excluded, please see Section 7-113 through 7-113.07, Post-Award Vendor Debriefing, of the *PPRB OPSCR Rules and Regulations* as updated and replaced by PPRB.

9.14 Protest

Any actual or prospective vendor who is aggrieved in connection with this solicitation or the outcome of this RFP may file a protest with Alicia Coleman, MDFA OI Procurement and Contracts Director. The protest shall be submitted within seven (7) calendar days of notification of contract award(s) or on or **before 5:00 PM CST, October 3, 2023**, in writing after such aggrieved person or entity knows or should have known of the facts giving rise thereto. The written protest letter shall contain an explanation of the specific basis for the protest. All protests must be in writing, dated, signed by the vendor or an individual authorized to sign contracts on behalf of the protesting vendor, and contain a statement of the reason(s) for protest, citing the law(s), rule(s) and regulation(s) or procedure(s) on which the protest is based. The protesting vendor must provide facts and evidence to support the protest. A protest is considered filed when received by Alicia Coleman, MDFA OI Procurement and Contracts Director, via either U.S. mail, postage prepaid, or by personal delivery. Protests filed **after 5:00 PM CST, October 3, 2023**, will not be considered.

9.15 Required Contract Terms and Conditions

A draft contract has been included as Appendix A to this RFP for your review and comment. Any contract entered into with the MDFA pursuant to this RFP shall have the clauses in blue font as these are required pursuant to the PPRB OPSCR Rules and Regulations as updated and replaced by PPRB. These required clauses are mandatory and are non-negotiable. MDFA discourages exceptions from the draft contract content, regardless of content being required or not. Such exceptions may cause a proposal to be rejected as non-responsive. Proposals which condition the proposal based upon the State accepting other terms and conditions not found in the RFP, or which take exception to the State’s terms and conditions, may be found non-responsive, and no further consideration of the proposal will be given.

9.16 Agency Website

This RFP, any amendment thereto, such as Questions and Answer document(s) and Summary of Pre-Proposal Conference, Tour, or Site Visit, if any were issued, the Notice of Intent To Award, and the

Evaluation Report will be posted on the agency website at <https://www.dfa.ms.gov/bids-and-rfps-notice> and on the Mississippi Contract/Procurement Opportunity Search Portal website at https://www.ms.gov/dfa/contract_bid_search.

9.17 Attachments

The attachments to this RFP are made a part of this RFP as if copied herein in words and figures.

Appendix A

Draft Commercial Insurance Brokerage Services Contract

COMMERCIAL INSURANCE BROKERAGE SERVICES CONTRACT

This Commercial Insurance Brokerage Services Contract (Contract) is made by and between the Mississippi Department of Finance and Administration (MDFA) and **[Insert Company Name]** (Contractor), effective October 1, 2023, under the following terms and conditions under which the Contractor agrees to provide commercial insurance brokerage services to the MDFA.

1. Scope of Services

The primary function of the Contractor will be to serve as the State's internal insurance agency and risk manager, responsible for the design, implementation, and administration of appropriate risk financing using traditional insurance programs. The Contractor will advise the MDFA Office of Insurance (OI) on methods of protecting the assets of the State and the values insured by the OI from catastrophic loss including, but not limited to, risk transfer, catastrophe modeling, loss control, and any other suggested methods; and to manage placement of the property reinsurance program for the OI to adequately protect OI insureds against catastrophic loss. The Contractor will market, manage and service the existing coverages, as well as any coverages added in the future, present competitive quotes and recommendations, place the coverage, and service the coverage each year. This will include any related coverage additions and services or replacements thereto. While the insurance services of this Contract will include property, cyber liability, equipment breakdown, fine arts, broadcasters' equipment, terrorism, and National Flood Insurance Program (NFIP) flood insurance; Related coverages and services may be added at any time during the contract period.

Contractor shall craft recommended programs, secure markets for the programs, and present written proposals for cost, coverage terms, and broker services to OI. Program will be bound effective April 29 annually. OI expects delivery of binders by May 1, 2024, or before. All carriers must be financially secure, as rated A.M. Best Company's rating of "A-" or better (Class "VII" or higher financial size category).

The Contractor will provide all services and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

A. Staffing and Account Management

- i. Assign a dedicated (but not necessarily exclusive) Contractor Account Manager to work directly with the MDFA OI Representative, who has a minimum of ten (10) years of commercial insurance brokerage experience relative to all aspects of the Contract between the MDFA and the Contractor;
- ii. Work with and be responsive to MDFA in all areas customarily related to placing the insurance coverages;
- iii. Serve as liaison between OI and the selected insurers, keeping OI fully apprised of any and all matters that materially impact the coverage;

- iv. Comply with all licensing, financial, and other requirements for insurance companies, including brokers, as well as for foreign entities pursuant to Mississippi Code Annotated § 83-17-1 through 7 and 83-21-1 through 17 as applicable; and
- v. Possess and maintain the minimum vendor certifications, accreditations, and/or licensures described herein, by way of illustration and not limitation, the following: licensed and registered as an insurance broker and surplus broker in the State of Mississippi or hold a Certificate of Authority from the Mississippi Insurance Department. The Contractor shall provide a copy of all valid licenses and certificates required for the performance of the work. A current copy of licenses and certificates shall be provided to MDFA within twenty-four (24) hours of demand at any time during the Contract term.

B. Commercial Broker and Consulting Services

- i. Act as broker-of-record for existing and new coverages placed during the contract term;
- ii. Develop and place the most effective and cost-efficient insurance coverages and provide a range of consulting services associated with the Statewide property program;
- iii. Provide brokerage, consulting, and other related services to assist OI in fulfilling its critical role to ensure proper protection of the State's assets and activities on behalf of the State's citizens and taxpayers;
- iv. Assist MDFA in procuring, maintaining and servicing appropriate property, cyber liability, equipment breakdown, fine arts, broadcasters' equipment, terrorism, NFIP flood insurance, and other potential ancillary insurance coverages from qualified insurers at competitive levels of premium;
- v. Solicit and provide competitive coverage options and alternatives that possess the best-negotiated terms, rates, and conditions from qualified carriers that fit within the overall mandatory limits, deductibles, and retentions;
- vi. Identify programs, products, and markets capable of meeting the State's coverage needs;
- vii. Act as an advocate for MDFA in communications with the domestic and international markets and intermediaries, including negotiations of the lowest possible fees and/or deductible options;
- viii. Develop and implement strategy to generate and maintain competitive interest in MDFA's insurance coverages from the available domestic/international markets;

- ix. Advise and consult with MDFA as to the type and format of data that needs to be collected and maintained for exposure analysis in order to optimize marketing, modeling, and renewing of the coverages;
- x. Identify and organize pertinent information to effectively market the State's property coverage program;
- xi. Coordinate and assist with the preparation of coverage applications and related reports necessary for submission to underwriters, syndicates, and interested insurers;
- xii. Provide risk management and professional services, as requested by OI, including, but not limited to, identifying and minimizing loss potential, conducting and/or reviewing property inspections, reviewing casualty exposures, researching alternative risk transfer techniques, attending meetings with State agencies, markets or other consultants;
- xiii. Analyze exposure, claims, coverage forms, and current program data to determine various options in property program structures and provide recommendations to make the program more efficient and effective; Catastrophe modeling through RMS and AIR is required.
- xiv. Make recommendations regarding quality of markets, limits, and differences in various markets' terms and conditions;
- xv. Monitor the financial condition of insurers, including their stability, solvency, and service records, and advise whenever any insurer is downgraded by any rating agency and/or whenever a significant change in the financial status of an insurer occurs; All policies must be placed with insurance companies with an A.M. Best Company's rating of "A-" or better (Class "VII" or higher financial size category). If during the term of the policy, a carrier's rating falls below "A-" Class "XII", the insurance must be replaced no later than the renewal date of the policy with an insurer rated at least "A-" Class "XII" in the most recently published Best's Insurance Report.
- xvi. Advise and consult with MDFA on selected commercial adjusting services companies and selected professional consultants;
- xvii. Arrange for and plan annual international and domestic market meetings with senior underwriters, syndicates, and other entities to foster the continued long-term relationships between OI and the market, and to allow discussion of the market and renewal programs; OI anticipates participation in the broker meetings with market representatives to assist in the solicitation of the program.
- xviii. Compile quotations for the program in an Excel spreadsheet; Where there are an adequate number of markets to do so, provide multiple quotes for competitive

purposes. For those markets that decline to offer a quote on coverage, documentation from the market indicating why they chose not to quote must be provided.

- xix. Develop a strategy for any upcoming renewal during the contract period to be presented in writing to OI a minimum of 120 calendar days before the expiration;
- xx. Deliver market quotations and recommended coverage programs to OI by March 1 for the April 29 renewal date; The March date allows full analysis and discussion prior to the Mississippi Legislature adjournment sine die.
- xxi. Assist OI when other related coverage needs to be added during the term of the Contract, at no additional cost;
- xxii. Disclose coverage additions and coverage restrictions on all renewal quotes in a chart format as compared to the expiring coverage;
- xxiii. Upon authorization, bind the program as directed by OI; Binders and/or confirmation of coverage shall be required upon placement;
- xxiv. Review and verify coverage documents received from all bound markets to determine the coverage placed is correct as to price, rating classification and exposure;
- xxv. Deliver electronic copies of all coverage documents; All documents shall be submitted electronically (as requested) within 150 calendar days of their effective date with binders submitted on effective date. All coverage placed with multiple layers must include an Excel or other graphic display of the placement showing markets, policy numbers, limits, premiums, taxes, fees, and commissions, if applicable, per layer.
- xxvi. Prepare certificates of insurance and endorsements, as requested, within 48 hours on a normal schedule and within 12 hours on a rush schedule;
- xxvii. Advise and consult with OI on an ongoing basis, or as requested, on any actual or proposed risk management issues that could impact the risk exposures, program structures, insurance coverages, their cost and/or marketing thereof, including but not limited to property risk engineering/loss prevention and property claims advocacy services;
- xxviii. Advocate with insurance companies on behalf of OI and advise on a continuing basis and in a timely manner on any and all significant matters and developments regarding the process of carrier service issues;

- xxix. Assist with the reports and supporting justification needed for certification of the State's property program through the Mississippi Insurance Department as required by the Stafford Act;
- xxx. Coordinate the statutorily required inspections and reports for boilers and pressure vessels in all state-owned buildings through the services of one or more of the selected insurers;
- xxxi. Provide annual loss runs for each policy a minimum of 60 calendar days before expiration, including any prior year with open losses; These reports shall reflect claims opened and closed and claims reserved and paid by policy year (including all allocated loss adjustment expenses) until all claims are closed. These reports shall be cumulative for the coverage year and not just activity for the year. At OI's request, loss runs shall be provided at any time during the year.

Information to be reflected on the quarterly report for each individual claims shall include, but not be limited to the following:

- Date of loss;
- Status of claim (open, closed, reopened);
- Brief description of loss;
- Name of state agency;
- Amount of claim as indicated below (by coverage code, if coverage code is applicable);
- Total incurred;
- Amount paid;
- Amount reserved;
- Amount recovered;
- Amount of loss adjustment expenses; and
- Net incurred.

- xxxii. Assist OI, as requested, in coverage issues that may arise with carriers from previous years, including policies that predate the broker's current contract with the MDFA;
- xxxiii. Assist OI with the reporting of claims; Be an advocate for the State on any disputed or problematic claims. In the event of an incident of high severity, act as an intermediary and advocate for the State with the markets to facilitate communication, data exchange, and prompt resolution of claims.
- xxxiv. Monitor claims submitted to the markets to ensure they are properly handled and responded to in a timely manner; Provide confirmation to OI with the markets on all claims, including claim number and representative contact information.
- xxxv. Assist and provide consultation to MDFA during State or nationally declared emergency events concerning catastrophic incidents involving FEMA, MEMA, and involved state agencies; and

xxxvi. Comply with mutually agreed service performance guarantees. Refer to **Exhibit B - Performance Standards and Discount Guarantees**, of this Contract.

C. Perform all services provided in the Contract between the Contractor and MDFA in accordance with customary and reasonable industry standards as well as in strict conformance to all laws, statutes, and ordinances and the applicable rules, regulations, methods and procedures of all government boards, bureaus, offices, and other agents. The Contractor shall be responsible for the complete performance of all work; for the methods, means, and equipment used; and for furnishing all materials, tools, apparatus, and property of every description used in connection therewith. No statement within this Contract shall negate compliance with any applicable governing regulation. The absence of detail specifications or the omission of detail description shall be recognized as meaning that only the best commercial practices are to prevail, and that only first quality materials and workmanship are to be used.

2. Contract Term

- A. The term of the Contract will be for four (4) years, effective October 1, 2023 through September 30, 2027. MDFA reserves the right to renew the Contract for up to one (1) additional year at the sole discretion of MDFA. By July 1, 2027, MDFA will notify the Contractor, in writing, of MDFA's intent to renew the Contract for the additional year.
- B. This Contract may be terminated by either party, with or without cause, upon at least ninety (90) days prior written notice of intent to terminate provided to the other party.
- C. All records and information provided by MDFA or through its vendors to the Contractor are the sole property of the MDFA and will be returned to the MDFA within thirty (30) days of the termination date of this Contract.
- D. Upon termination of this Contract, the Contractor shall cooperate with the MDFA and the new Contractor during the transition of the MDFA's business to the new Contractor. Upon request of the MDFA, the Contractor shall provide all MDFA information maintained by the Contractor in relation in a time frame specified by the MDFA. Information provided shall be in a format designated by the MDFA and shall include, but not be limited to, where applicable, file layouts and legends. The Contractor shall provide such explanation of the information provided to facilitate a smooth transition.

3. Consideration

MDFA agrees to compensate the Contractor for services approved by the MDFA and performed by the Contractor under the terms of this Contract in an amount not to exceed **Insert Amount**, as follows:

- A. The flat annual fees as applicable, listed in **Exhibit A, Fee Schedule for Commercial Insurance Brokerage Services**, of this Contract will constitute the entire compensation

due to the Contractor for services and all of the Contractor's obligations hereunder regardless of the difficulty, materials, or equipment required. These fees include, but are not limited to, all applicable taxes, fees, general office expense, travel, overhead, profit, and all other direct and indirect costs, incurred or to be incurred, by the Contractor. These fees shall also take into account all costs to provide the base brokerage services identified in this Contract, including any fees charged by intermediaries (e.g., wholesale brokers) and/or commissions received or to be received by intermediaries for the placement of insurance coverage(s). Any fees and/or commissions, taken by the Contractor and/or any intermediaries in the placement of insurance coverage(s) must be disclosed to MDFA OI and will be netted against the Contractor's flat annual fee. The Contractor must also opt out of accepting contingency commissions for any insurance coverage placed under this Contract. All pricing shall include all associated costs with no additional or hidden fees. Any additional compensation received by the Contractor shall be reported biannually and must reduce the amount paid to the Contractor from the fixed fee.

- B.** For insurance coverage placement, a maximum six percent (6%) commission rate will be allowed for those placements utilizing a foreign wholesale/intermediary broker. Any earned foreign wholesale/intermediary broker commission in excess of the six percent (6%) will be returned to the OI. All foreign wholesale/intermediary compensation must be pre-agreed by OI and fully disclosed. For all premiums placed through domestic brokers that have a commission component, this commission must be identified and refunded to OI. Contingent commissions from any carrier is not allowed. The Contractor is prohibited from accepting any contingent income, profit sharing, enhanced commission, or other forms of hidden income associated with the Contract. All compensation, including direct and contingent, on all market proposals will not be assessed or will be credited to the premium billed.
- C.** All fees or charges related to any service to be provided must be identified in **Exhibit A, Fee Schedule for Commercial Insurance Brokerage Services**. No additional compensation will be provided by the MDFA for any expense, cost, or fee not specifically authorized by this Contract, or by written authorization from the MDFA. OI shall not provide any prepayments or initial deposits in advance of services being rendered. The MDFA will not pay any upfront fees prior to the contract effective date. Fees for services provided by the Contractor shall be billable to OI in arrears on a biennial basis, following property programs placement and completion of the contract year. Only those services agreed to by Contract shall be considered for reimbursement/compensation by OI. Payment for any and all services provided by the Contractor to OI shall be made only after said services have been duly performed and properly invoiced. The fees and rates listed in **Exhibit A, Fee Schedule for Commercial Insurance Brokerage Services**, of this Contract are firm for the duration of this Contract and are not subject to escalation for any reason, unless otherwise provided for within this Contract, or unless this Contract is duly amended.
- D.** The Contractor shall submit all invoices in a form acceptable to OI (provided that such acceptance will not be unreasonably withheld) with all of the necessary supporting documentation, prior to the payment to the Contractor of allowable costs. Fees will be invoiced in sufficient detail and format as determined by the MDFA. Such invoices will,

at a minimum, include the appropriate descriptions of the services being billed or other bases for charges included in **Exhibit A, Fee Schedule for Commercial Insurance Brokerage Services**.

- E.** The payment of an invoice by the MDFA shall not prejudice the MDFA's right to object or question any invoice or matter in relation thereto. Such payment by the MDFA shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any costs invoiced therein. The Contractor's invoice or payment shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the MDFA, on the basis of audits, not to constitute allowable costs. Any payment shall be reduced for overpayment or increased for underpayment on subsequent invoices. For any amounts which are or shall become due and payable to OI and/or OI by the Contractor, OI reserves the right to (1) deduct from amounts which are or shall become due and payable to OI under contract between the parties; or (2) request and receive payment directly from the Contractor within fifteen (15) days of such request, at OI's sole discretion.
- F.** OI reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under the contract between the parties any amounts which are or shall become due and payable to OI by the Contractor. Notwithstanding anything to the contrary herein, any reduction of payments shall be made only with the prior agreement of both parties. In addition, in the event of termination of the contract for any reason, the Contractor shall be paid for services rendered and allowable expenses incurred up to the effective date of termination.
- G.** Upon the effective date of termination of this Contract, the Contractor will remain liable for any obligations arising hereunder prior to the effective date of such termination.

4. Anti-Assignment/Subcontracting

Contractor acknowledges that it was selected by the MDFA to perform the services required hereunder based, in part, upon Contractor's special skills and expertise. The Contractor shall not assign, subcontract, or otherwise transfer this Contract, in whole or in part, without the prior written consent of the MDFA, which the MDFA may, in its sole discretion, approve or deny without reason. Any attempted assignment or transfer without such consent shall be null and void. No such approval by the MDFA of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of the MDFA in addition to the total fixed price agreed upon in this Contract. Subcontracts shall be subject to the terms and conditions of this Contract and to any conditions of approval that the MDFA may deem necessary. Subject to the foregoing, this Contract shall be binding upon the respective successors and assigns of the parties.

5. Applicable Law

The Contract shall be governed by and construed in accordance with the laws of the State of Mississippi (State), excluding its conflicts of laws provisions, and any litigation with respect

thereto shall be brought in the courts of the State. The Contractor shall comply with applicable federal, state, and local laws and regulations.

6. Approval

It is understood that if this Contract requires approval by the Public Procurement Review Board (PPRB) and/or the MDFA Office of Personal Service Contract Review (OPSCR), and this Contract is not approved by the PPRB and/or OPSCR, it is void and no payment shall be made hereunder.

7. Attorney's Fees and Expenses

Subject to other terms and conditions of this agreement, in the event Contractor defaults in any obligations under this agreement, Contractor shall pay to the State all costs and expenses (including, without limitation, investigative fees, court costs, and attorney's fees) incurred by the State in enforcing this agreement or otherwise reasonably related thereto. Contractor agrees that under no circumstances shall the customer be obligated to pay any attorney's fees or costs of legal action to Contractor.

8. Authority to Contract

Contractor warrants: (a) that it is a validly organized business with valid authority to enter into this Contract; (b) that it is qualified to do business and in good standing in the State of Mississippi; (c) that entry into and performance under this Contract is not restricted or prohibited by any loan, security, financing, contractual, or other contract of any kind; and, (d) notwithstanding any other provision of this Contract to the contrary, that there are no existing legal proceedings or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Contract.

9. Availability of Funds

It is expressly understood and agreed that the obligation of the MDFA to proceed under this Contract is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds. If the funds anticipated for the continuing time fulfillment of the Contract are, at any time, not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which funds were provided or if funds are not otherwise available to the MDFA, the MDFA shall have the right upon ten (10) working days written notice to the Contractor, to terminate this Contract without damage, penalty, cost or expenses to the MDFA of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

10. Change in Scope of Work

The MDFA may order changes in the work consisting of additions, deletions, or other revisions within the general scope of the Contract. No claims may be made by the Contractor that the

scope of the project or of the Contractor's services have been changed, requiring changes to the amount of compensation to the Contractor or other adjustments to the Contract, unless such changes or adjustments have been made by written amendment to the Contract signed by the MDFA and the Contractor. If the Contractor believes that any particular work is not within the scope of the project, is a material change, or shall otherwise require more compensation to the Contractor, the Contractor shall immediately notify the MDFA in writing of this belief. If the MDFA believes that the particular work is within the scope of the Contract as written, the Contractor shall be ordered to and shall continue the work as changed and at the cost stated for the work within the Contract.

11. Compliance with Laws

The Contractor understands that the MDFA is an equal opportunity employer and therefore maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful and the Contractor agrees during the term of the Contract that the Contractor shall strictly adhere to this policy in its employment practices and provision of services. The Contractor shall comply with, and all activities under this Contract shall be subject to, all applicable federal, State of Mississippi, and local laws and regulations, as now existing and as may be amended or modified.

12. Confidentiality

Notwithstanding any provision to the contrary contained herein, it is recognized that MDFA is a public agency of the State of Mississippi and is subject to the Mississippi Public Records Act. Mississippi Code Annotated § 25-61-1 *et seq.* If a public records request is made for any information provided to MDFA pursuant to the Contract and designated by the Contractor in writing as trade secrets or other proprietary confidential information, MDFA shall follow the provisions of Mississippi Code Annotated §§ 25-61-9 and 79-23-1 before disclosing such information. The MDFA shall not be liable to the Contractor for disclosure of information required by court order or required by law.

13. Contractor Personnel

The MDFA shall, throughout the life of the Contract, have the right of reasonable rejection and approval of staff or subcontractors assigned to the work by the Contractor. If the MDFA reasonably rejects staff or subcontractors, the Contractor shall provide replacement staff or subcontractors satisfactory to the MDFA in a timely manner and at no additional cost to the MDFA. The day-to-day supervision and control of the Contractor's employees and subcontractors is the sole responsibility of the Contractor.

14. Debarment and Suspension

The Contractor certifies to the best of its knowledge and belief, that it: (i) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded

from covered transaction by any federal department or agency or any political subdivision or agency of the State of Mississippi; (ii) Has not, within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; (iii) Has not, within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against it for a violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (iv) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of these offenses enumerated in paragraphs two (ii) and three (iii) of this certification; and, (v) Has not, within a three-year period preceding this proposal, had one or more public transactions (federal, state, or local) terminated for cause or default.

15. Disclosure of Confidential Information

In the event that either party to this Contract receives notice that a third-party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of confidential or otherwise protected information that party shall promptly inform the other party and thereafter respond in conformity with such subpoena to the extent mandated by law. This section shall survive the termination or completion of this Contract. The parties agree that this section is subject to and superseded by Mississippi Code Annotated § 25-61-1 *et seq.*

16. E-Payment

The Contractor agrees to accept all payments in United States currency via the State of Mississippi's electronic payment and remittance vehicle. The MDFA agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies", which generally provides for payment of undisputed amounts by the agency within forty-five (45) days of receipt of the invoice. Mississippi Code Annotated § 31-7-301, *et seq.*

17. E-Verification

If applicable, the Contractor represents and warrants that it shall ensure its compliance with the Mississippi Employment Protection Act of 2008, and shall register and participate in the status verification system for all newly hired employees. Mississippi Code Annotated § 71-11-1 *et seq.* The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. The Contractor agrees to maintain records of such compliance. Upon request of the State and after approval of the Social Security Administration or Department of Homeland Security when required, the Contractor agrees to provide a copy of each such verification. The Contractor further represents and warrants that any person assigned to perform services hereafter meets the employment

eligibility requirements of all immigration laws. The breach of this agreement may subject the Contractor to the following:

- A. termination of this Contract for services and ineligibility for any State or public contract in Mississippi for up to three (3) years with notice of such cancellation/termination being made public; or
- B. the loss of any license, permit, certification, or other document granted to the Contractor by an agency, department, or governmental entity for the right to do business in Mississippi for up to one (1) year; or
- C. both.

In the event of such cancellation/termination, the Contractor would also be liable for any additional costs incurred by the State due to Contract cancellation or loss of license or permit to do business in the State.

18. Failure to Deliver

Failure by the MDFA at any time to enforce the provisions of the Contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the contract or any part thereof or the right of the MDFA to enforce any provision at any time in accordance with its terms.

19. Failure to Enforce

Failure by the MDFA at any time to enforce the provisions of the Contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the Contract or any part thereof or the right of the MDFA to enforce any provision at any time in accordance with its terms.

20. Force Majeure

Each party shall be excused from performance for any period and to the extent that it is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond the reasonable control and without the fault or negligence of such party and/or its subcontractors. Such acts shall include without limitation acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations superimposed after the fact, fire, earthquakes, floods, or other natural disasters (“force majeure events”). When such a cause arises, the Contractor shall notify the MDFA immediately in writing of the cause of its inability to perform, how it affects its performance, and the anticipated duration of the inability to perform. Delays in delivery or in meeting completion dates due to force majeure events shall automatically extend such dates for a period equal to the duration of the delay caused by such events, unless MDFA determines it to be in its best interest to terminate the Contract.

21. Indemnification

To the fullest extent allowed by law, the Contractor shall indemnify, defend, save and hold harmless, protect, and exonerate the MDFA, its Commissioners, Board Members, officers, employees, agents, and representatives and the State of Mississippi from and against all claims,

demands, liabilities, suits, actions, damages, losses, and costs of every kind and nature whatsoever, including, without limitation, court costs, investigative fees and expenses, and attorneys' fees, arising out of or caused by Contractor and/or its partners, principals, agents, employees, and/or subcontractors in the performance of or failure to perform this Contract. In the State's sole discretion, upon approval of the Office of the Mississippi Attorney General, the Contractor may be allowed to control the defense of any such claim, suit, etc. In the event the Contractor defends said claim, suit, etc., the Contractor shall use legal counsel acceptable to the Office of the Mississippi Attorney General. The Contractor shall be solely responsible for all costs and/or expenses associated with such defense, and the State shall be entitled to participate in said defense. The Contractor shall not settle any claim, suit, etc., without the concurrence of the Office of the Mississippi Attorney General, which shall not be unreasonably withhold.

22. Independent Contractor Status

The Contractor shall at all times, be regarded as, and shall be legally considered an Independent Contractor and shall at no time act as an agent for the State. Nothing contained herein shall be deemed or construed by the State, the Contractor, or any third party as creating the relationship of principal and agent, master and servant, partners, joint ventures, employer and employee, or any similar such relationship between the State and the Contractor. Neither the method of computation of fees or other charges, nor any other provision contained herein, nor any acts of the State or the Contractor hereunder creates, or shall be deemed to create a relationship other than the independent relationship of the State and Contractor. The Contractor's personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of the State. Neither the Contractor nor its employees shall, under any circumstances, be considered servants, agents, or employees of the MDFA, and the MDFA shall be at no time be legally responsible for any negligence or other wrongdoing by the Contractor, its servants, agents, or employees. The MDFA shall not withhold from the Contract payments to the Contractor any federal or state unemployment taxes, federal or state income taxes, Social Security tax, or any other amounts for benefits to the Contractor. Further, the MDFA shall not provide to the Contractor any insurance coverage or other benefits, including Worker's Compensation, normally provided by the State for its employees.

23. Information Designated by Contractor as Confidential

Any disclosure of those materials, documents, data, and other information which Contractor has designated in writing as proprietary and confidential shall be subject to the provisions of Mississippi Code Annotated §§ 25-61-9 and 79-23-1. As provided in the Contract, the personal or professional services to be provided, the price to be paid, and the term of the Contract shall not be deemed to be a trade secret, or confidential commercial or financial information.

Any liability resulting from the wrongful disclosure of confidential information on the part of the Contractor or its subcontractor shall rest with Contractor. Disclosure of any confidential information by the Contractor or its subcontractor without the express written approval of the MDFA shall result in the immediate termination of this Contract.

24. Implementation Bond

The Contractor must agree to provide a One Million Dollars (\$1,000,000.00) Performance Bond or Escrow Account, naming the MDFA as exclusive beneficiary, to guarantee timely and complete establishment of the Contract and related services. Such bond or escrow account must be obtained or established within thirty (30) days of contract award. The bond shall be a corporate surety bond issued by a surety company authorized to do business in the State of Mississippi; while an escrow account is subject to approval by agency legal counsel. Any failure of the Contractor to perform timely and complete establishment of such services shall result in damages recoverable by the MDFA against the implementation bond or escrow account. Upon the agreement by the MDFA that the Contractor has complied with its implementation responsibilities, the implementation bond shall be released. This requirement will not apply if the incumbent vendor with services established under the current contract is selected through this procurement process to enter into negotiations for the new contract.

25. Insurance

The Contractor shall maintain, throughout the term of this Contract, at its own expense, workers' compensation coverage as required by the State of Mississippi, professional liability coverage in an amount no less than One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) annual aggregate, and employee dishonesty or fidelity bond third party liability coverage in an amount no less than One Million Dollars (\$1,000,000.00). The State of Mississippi will be listed as an additional insured on the professional liability and the employee dishonesty or fidelity bond third party liability insurance policies and shall be issued by insurance companies authorized to do business under the laws of the State of Mississippi, meaning insurance carriers must be licensed or hold a Certificate of Authority from the Mississippi Insurance Department. Contractor shall not commence work under this Contract until it obtains all insurances required under this provision and furnishes certificate(s) or other form(s) showing proof of current coverage to the MDFA. After work commences, the Contractor shall maintain in force all required insurance until the Contract is terminated or expires. Contractor shall submit renewal certificates as appropriate during the term of the Contract. Contractor shall ensure that should any of the above-described policies be cancelled before the expiration date thereof, or if there is a material change, potential exhaustion of aggregate limits or intent not to renew insurance coverage(s), that written notice will be delivered to the MDFA. There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) to MDFA. Any failure to comply with the reporting provisions of this clause shall constitute a material breach of Contract and shall be grounds for immediate termination of this Contract by MDFA.

26. Integrated Agreement/Merger

This Contract, including all contract documents, represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations or agreements, irrespective of whether written or oral. This Contract may be altered, amended, or modified only by a written document executed by the State and Contractor. Contractor acknowledges that it has thoroughly read all contract documents and has had the opportunity to receive

competent advice and counsel necessary for it to form a full and complete understanding of all rights and obligations herein. Accordingly, this Contract shall not be construed or interpreted in favor of or against the State or Contractor on the basis of draftsmanship or preparation hereof.

27. Modification or Renegotiation

This Contract may be modified, altered or changed only by written agreement signed by the parties hereto. The parties agree to renegotiate the Contract if federal, State and/or the MDFA revisions of any applicable laws or regulations make changes in this Contract necessary.

28. Oral Statements

No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in this Contract. All modifications to the Contract shall be made in writing by the MDFA and agreed to by the Contractor.

29. Ownership of Documents and Work Papers

The MDFA shall own all documents, files, reports, work papers and working documentation, electronic or otherwise, created in connection with the project which is the subject of this Contract, except for the Contractor's internal administrative and quality assurance files and internal project correspondence. The Contractor shall deliver such documents and work papers to the MDFA upon termination or completion of the Contract. The foregoing notwithstanding, the Contractor shall be entitled to retain a set of such work papers for its files. The Contractor shall be entitled to use such work papers only after receiving written permission from the MDFA and subject to any applicable privacy and/or copyright protections.

30. Paymode

Payments by state agencies using the State's accounting system shall be made and remittance information provided electronically as directed by the State. These payments shall be deposited into the bank account of the Contractor's choice. The State may, at its sole discretion, require the Contractor to submit invoices and supporting documentation electronically at any time during the term of this Contract. The Contractor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in United States currency.

31. Procurement Regulations

The Contract shall be governed by the applicable provisions of the *Mississippi Public Procurement Review Board Office of Personal Service Contract Review Rules and Regulations*, a copy of which is available at 501 North West Street, Suite 701E, Jackson, Mississippi 39201 for inspection, or downloadable at <http://www.dfa.ms.gov/dfa-offices/personal-service-contract-review/opscr>.

32. Record Retention and Access to Records

The Contractor agrees that the MDFA or any of its duly authorized representatives at any time during the term of this Contract shall have unimpeded, prompt access to and the right to audit and examine any pertinent books, documents, papers, and/or records of the Contractor related to the Contractor's charges and performance under this Contract. The MDFA agrees to provide the Contractor with reasonable advance notice for any standard audits or reviews, with the expectation that such reviews shall be made during normal business hours of the Contractor. The parties shall cooperate to schedule and conduct such audit or inspection to prevent disruption to Contractor's performance of the services hereunder and for Contractor's other customers. All records related to this Contract shall be retained by the Contractor for a period of three (3) years after final payment under this Contract and all pending matters are closed. However, if any litigation, claim, negotiation, audit or other action arising out of or related in any way to this Contract has been started before the expiration of the three (3) year period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the three (3) year period, whichever is later. The Contractor agrees to refund to the MDFA any overpayment disclosed by any such audit arising out of or related in any way to this Contract.

33. Recovery of Money

Whenever, under the Contract, any sum of money shall be recoverable from or payable by the Contractor to the MDFA, the same amount may be deducted from any sum due to the Contractor under the Contract or under any other Contract between the Contractor and the MDFA. The rights of the MDFA are in addition and without prejudice to any other right the MDFA may have to claim the amount of any loss or damage suffered by the MDFA on account of the acts or omissions of the Contractor.

34. Representation Regarding Contingent Fees

The Contractor represents that it has not retained a person to solicit or secure a State Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except as disclosed in the Contractor's bid.

35. Representation Regarding Gratuities

The Contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities set forth in Section 6-204 (Gratuities) of the *Mississippi Public Procurement Review Board Office of Personal Service Contract Review Rules and Regulations*.

36. Right to Audit

Contractor shall maintain such financial records and other records as may be prescribed by MDFA or by applicable federal and state laws, rules, and regulations. Contractor shall retain these records for a period of three years after final payment, or until they are audited by MDFA, whichever event occurs first. These records shall be made available for inspection during

regular business hours and with reasonable advance notice during the term of the Contract and the subsequent three-year period for examination, transcription, and audit by the Mississippi Office of the State Auditor, its designees, or other authorized bodies.

37. Right to Inspect

M DFA, the Mississippi Office of the State Auditor, or any other auditing agency prior-approved by M DFA, or their authorized representative shall, at all reasonable times, have the right to enter onto the Contractor’s premises, or such other places where duties under this Contract are being performed, to inspect, monitor, or otherwise evaluate the work being performed. The Contractor shall provide access to all facilities and assistance for M DFA and Mississippi Office of the State Auditor’s representatives. All inspections and evaluations shall be performed in such a manner as to not delay work. Refusal by the Contractor to allow access to all documents, papers, letters or other materials, shall constitute a breach of Contract. All audits performed by persons other than M DFA staff shall be coordinated through M DFA and its staff.

38. Severability

If any part of this Contract is declared to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of the Contract that can be given effect without the invalid or unenforceable provision, and to this end the provisions hereof are severable. In such event, the parties shall amend the Contract as necessary to reflect the original intent of the parties and to bring any invalid or unenforceable provisions in compliance with applicable law.

39. Standards of Care/Remedies

The Contractor shall exercise reasonable care and due diligence consistent with standards in the industry in the performance of its obligations under this Contract.

40. Stop Work Order

- A. *Order to Stop Work.*** The M DFA, may, by written order to the Contractor at any time, and without notice to any surety, require the Contractor to stop all or any part of the work called for by this Contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the Contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the M DFA shall either:
1. cancel the stop work order; or,
 2. terminate the work covered by such order as provided in the “Termination for Default” clause or the “Termination for Convenience” clause of this Contract.

- B. *Cancellation or Expiration of the Order.*** If a stop work order issued under this clause is canceled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the Contractor shall have the right to resume work. An appropriate adjustment shall be made in the delivery schedule or Contractor price, or both, and the Contract shall be modified in writing accordingly, if:
1. the stop work order results in an increase in the time required for, or in the Contractor's costs properly allocable to, the performance of any part of this Contract; and,
 2. the Contractor asserts a claim for such an adjustment within 30 days after the end of the period of work stoppage; provided that, if the MDFA decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract.
- C. *Termination of Stopped Work.*** If a stop work order is not canceled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed by adjustment or otherwise.

41. Termination for Convenience

- A. *Termination.*** The MDFA may, when the interests of the State so require, terminate this Contract in whole or in part, for the convenience of the State. The MDFA shall give written notification of the termination to the Contractor specifying the part of the Contract terminated and when the termination becomes effective.
- B. *Contractor's Obligations.*** The Contractor shall incur no further obligations in connection with the terminated work, and on the date set in the notice of termination, the Contractor shall stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontractors and orders connected with the terminated work. The MDFA may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the State. The Contractor shall still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

42. Termination for Default

- A. *Default.*** If the Contractor refuses or fails to perform any of the provisions of this Contract with such diligence as shall ensure its completion within the time specified within this Contract, or any extension thereof or, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the MDFA may notify the Contractor in writing of the delay or nonperformance and if not cured within ten (10) days or any longer time specified in writing by the MDFA, the MDFA may terminate the Contractor's right to proceed with the Contract or such part of the Contract as to which there has been delay or failure to properly perform. In the event of termination in whole or in part, the MDFA may procure similar supplies or services in a manner and upon terms deemed appropriate by the MDFA. The Contractor shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in

procuring similar goods or services.

- B. *Contractor's Duties.*** Notwithstanding termination of the Contract and subject to any directions from the MDFA, the Contractor shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Contractor in which the State has an interest.
- C. *Compensation.*** Payment for completed services delivered and accepted by the State shall be at the Contract price. The State may withhold from amounts due the Contractor such sums as the MDFA deems to be necessary to protect the State against loss because of outstanding lien holders or claims of former lien holders and to reimburse the State for the excess costs incurred in procuring similar goods and services.
- D. *Excuse for Nonperformance or Delayed Performance.*** Except with respect to defaults of subcontractors, the Contractor shall not be in default by reason of any failure in performance of this Contract in accordance with its terms (including any failure by the Contractor to make progress in the prosecution of the work hereunder which endangers performance) if the Contractor has notified the MDFA within 15 days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; acts of the State and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform is caused by the failure of a subcontractor to perform or make progress, and if such failure arises out of causes similar to those set forth above, the Contractor shall not be deemed to be in default, unless the services to be furnished by the subcontractor were reasonably obtainable from other sources in sufficient time to permit the Contractor to meet the Contract requirements. Upon request of the Contractor, the MDFA shall ascertain the facts and extent of such failure, and, if the MDFA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Contractor's progress and performance would have met the terms of the Contract, the delivery schedule shall be revised accordingly, subject to the rights of the State under the clause of this Contract entitled "Termination for Convenience". (As used in this Paragraph of this clause, the term "subcontractor" means subcontractor at any tier).
- E. *Erroneous Termination for Default.*** If, after notice of termination of the Contractor's right to proceed under the provisions of this clause, it is determined for any reason that the Contract was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph D (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall, if the Contract contains a clause providing for termination for convenience of the State, be the same as if the notice of termination had been issued pursuant to a termination for convenience.
- F. *Additional Rights and Remedies.*** The rights and remedies provided under this clause are in addition to any other rights and remedies provided by law or under this Contract.

43. Termination Upon Bankruptcy

This Contract may be terminated in whole or in part by the MDFA upon written notice to the Contractor, if the Contractor should become the subject of bankruptcy or receivership proceedings, whether voluntary or involuntary, or upon the execution by Contractor of an assignment for the benefit of its creditors. In the event of such termination, Contractor shall be entitled to recover just and equitable compensation for satisfactory work performed under this Contract, but in no case shall said compensation exceed the total Contract price.

44. Third Party Action Notification

The Contractor shall give the MDFA prompt notice in writing of any action or suit filed, and prompt notice of any claim made against the Contractor by any entity that may result in litigation related in any way to this Contract.

45. Trade Secrets, Commercial and Financial Information

It is expressly understood that Mississippi law requires that the provisions of this Contract which contain the commodities purchased or the personal or professional services provided, the price to be paid, and the term of the Contract shall not be deemed to be a trade secret or confidential commercial or financial information and shall be available for examination, copying, or reproduction.

46. Transparency

This Contract, including any accompanying exhibits, attachments, and appendices, is subject to the “Mississippi Public Records Act of 1983,” and its exceptions. See Mississippi Code Annotated §§ 25-61-1 *et seq.* and 79-23-1. In addition, this Contract is subject to the provisions of the Mississippi Accountability and Transparency Act of 2008. Mississippi Code Annotated § 27-104-151 *et seq.* Unless exempted from disclosure due to a court-issued protective order, a copy of this executed Contract is required to be posted to the MDFA’s independent agency contract website for public access at <http://www.transparency.mississippi.gov>. Information identified by Contractor as trade secrets, or other proprietary information, including confidential vendor information or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes, shall be redacted.

47. Waiver

No delay or omission by either party to this agreement in exercising any right, power, or remedy hereunder or otherwise afforded by contract, at law, or in equity shall constitute an acquiescence therein, impair any other right, power or remedy hereunder or otherwise afforded by any means, or operate as a waiver of such right, power, or remedy. No waiver by either party to this agreement shall be valid unless set forth in writing by the party making said waiver. No waiver of or modification to any term or condition of this agreement will void, waive, or change any other term or condition. No waiver by one party to this agreement of a default by the other party will imply, be construed as or require waiver of future or other defaults.

48. Notices

All notices required or permitted to be given under this Contract shall be in writing and personally delivered or sent by certified United States mail, postage prepaid, return receipt requested, to the party to whom the notice should be given at the address set forth below. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

If to MDFA: Attention: Executive Director
Mississippi Department of Finance and Administration
501 N. West St., Suite 1301 Woolfolk Building
Post Office Box 267
Jackson, Mississippi 39205-0267

With copy of any notice to: Mississippi State Insurance Administrator
Office of Insurance
Mississippi Department of Finance and Administration
501 N. West St., Suite 901-B Woolfolk Building
Post Office Box 24208
Jackson, Mississippi 39225-4208

If to the Contractor: [Name, Title]
[Contractor Name]
[Address]
[City, State, Zip]

49. Incorporation of Documents

This Contract consists of and precedence is hereby established by the order of the following documents incorporated herein:

- A. This Contract signed by the parties including *Exhibit A - Fee Schedule for Commercial Insurance Brokerage Services and Exhibit B - Performance Standards and Discount Guarantees*;
- B. The *Mississippi Department of Finance and Administration's Request for Proposals for Commercial Insurance Brokerage Services, dated July 27, 2023*, and attached hereto as *Exhibit C* and incorporated fully herein by reference; and
- C. The *Contractor's Response to the Mississippi Department of Finance and Administration's Request for Proposals for Commercial Insurance Brokerage Services, dated August 29, 2023*, attached hereto as *Exhibit D* and incorporated fully herein by reference.

The Remainder of this Page is Left Blank Intentionally

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed on the date shown below:

[Contractor Name]

Mississippi Department of Finance and Administration

By: _____

By: _____

Name: _____

Name: Liz Welch

Title: _____

Title: Executive Director

Date: _____

Date: _____

DRAFT

Exhibit A. Fee Schedule for Commercial Insurance Brokerage Services

The Contractor’s pricing for the Commercial Insurance Brokerage Services for each of the five (5) years of the Contract is listed below:

Brokerage services inclusive of travel, all consulting expenses, and costs for use of a domestic wholesaler, if applicable, for the Statewide Property Program.	Flat Annual Fee
Year 1 (10/01/2023 – 09/30/2024)	
Year 2 (10/01/2024 – 09/30/2025)	
Year 3 (10/01/2025 – 09/30/2026)	
Year 4 (10/01/2026 – 09/30/2027)	
Year 5* (10/01/2027 – 09/30/2028)	

*Applicable in the event the optional one-year contract renewal is exercised by the MDFA.

All fees/rates listed are guaranteed through the term of the Contract.

Exhibit B. Performance Standards and Discount Guarantees

The Contractor agrees to the following minimum performance standards and the assessment of liquidated damages for failure to meet these standards. At the MDFA’s discretion, an audit may be performed. The results of the audit, after appropriate review and comment by the Contractor, will be the final determinant of performance standard compliance. The Contractor will be provided an opportunity to review and discuss the audit results before the application of liquidated damages. The MDFA reserves the right to reduce or waive any fees at risk if, in the MDFA’s sole discretion, failure to meet a performance standard was due to extraordinary circumstances.

The following performance standards and discount guarantees will apply separately to each year of the Contract:

Performance Standard Topic	Description of Standard	Guarantee	Amount at risk
Key Deliverables 1	Program will be bound effective April 29 th annually with delivery of binders by May 1 st or before.		The flat annual fee otherwise due to the Vendor will be reduced by fifty percent (50%) when this Key Deliverable is not successfully completed and delivered in the timeframe stated herein.
Key Deliverables 2	Vendor will deliver electronic copies of all coverage documents/policies; All documents shall be submitted electronically (as requested) within 150 calendar days of their effective date with binders submitted on effective date. All coverage placed with multiple layers must include an Excel or other graphic display of the placement showing markets, policy numbers, limits, premiums, taxes, fees, and commissions, if applicable, per layer.		The flat annual fee otherwise due to the Vendor will be reduced by \$1,000 per day when this Key Deliverable is not successfully completed and delivered in the timeframe stated herein.

Any liquidated damages assessed as the result of documented noncompliance with any of the aforementioned performance standards and/or discount guarantees will become due and payable

within 30 days after the Contractor receives written notification of same. Any such payments that become due may be made directly to OI by the Contractor or offset by OI against the next annual service fee.

DRAFT

Exhibit C. *Mississippi Department of Finance and Administration's Request for Proposals for Commercial Insurance Brokerage Services, dated July 27, 2023*

DRAFT

Exhibit D. *Contractor's Response to the Mississippi Department of Finance and Administration's Request for Proposals for Commercial Insurance Brokerage Services, dated August 29, 2023*

DRAFT

Appendix B

Coverage Outline

Coverage(s)	
Property	Main Property Program – all state-owned properties except Capitol Facilities buildings
	Capitol Facilities Program – 14 primary state buildings in Jackson & Meridian
Equipment Breakdown	
Fine Arts	
Cyber Liability	
Broadcasters' Equipment	
Terrorism including NBCR	
NFIP Flood Insurance	

Appendix C

State of Mississippi Multi-Layer Insurance Program

\$500,000,000	Chubb (Bermuda) 100.00%																						
\$300,000,000	Axis 3.33%		AXA XL 2.00%		Swiss 35.00%							Fidelis 12.50%		Scheduled Markel 3.33%	Allianz 20.00%				Lexington 5.00%	SRU 1.67%	RSUI 7.17%	London 10.00%	
\$150,000,000	Core Specialty 15.00%											Amwins RE (Starr) 7.00%		Arch 5.00%				Kinsale 7.00%	to \$25M xo \$ Westfield 3.50%	Canopus 10.00%	London 7.50%	10.00%	
\$100,000,000	AWAC 5.00%	Ironshore 2.50%	Beazley 5.00%	Westchester 2.50%	Lexington 10.00%	RSUI 5.00%	Limitation Endorseme 3% NS Ded Starr 12.50%	London 7.25%	London 5.00%	London 5.00%	London 2.00%	London 2.50%	ED to PRIM 100 London 4.00%	Sompo 5.00%	London 7.50%	London 4.00%	London 1.75%	London 2.50%	TIED to 50x50 London 2.00%	London 3.00%	London 2.00%	London 4.00%	
\$50,000,000	5.00%	2.50%	5.00%	2.50%	10.00%	5.00%	12.50%	Munich Re London 6.50%	Parmer Re London 6.50%	Convex London 5.50%	QBE 2.00%	AXA London 5.00%	Alchemy London 5.00%	Sompo London 5.00%	Fidelis London 18.00%	ARK (GP) London 18.00%	Atrium London 2.00%	RSA London 3.00%	Alchemy London 2.00%	Hiscox London 3.00%	ARK London 2.00%	HCC London 4.00%	
\$25,000,000	5.00%	2.50%	5.00%	2.50%	10.00%	5.00%	12.50%	Kiln London 6.50%	Tied to \$50M xo \$100M Westfield 10.00%		QBE 2.00%	Scor London 3.00%		Brit IQ AFB AML KI 18.00%	Blenheim London 2.00%	Apollo London 3.00%	2.00%	3.00%	2.00%	3.00%	2.00%	4.00%	
	5.00%	2.50%	5.00%	2.50%	10.00%	5.00%	12.50%	Kiln London 6.50%	Kiln London 6.50%	CIN Tal London 5.50%	2.00%	Lancs London 3.00%		18.00%	2.00%	3.00%	2.00%	3.00%	2.00%	3.00%	2.00%	4.00%	

Appendix D

Five-Year Loss Summary Report by Coverage and Payment Class

Claim Number	Agency	Date of Loss	Address	Reported Date	Claim Status	Claim Type	Loss Description	Real Property	BPP	BI	Other	Gross Loss	Deductible	Net Loss (Carrier Incurred)	Loss Paid	Loss Outstanding
POLICY YEAR 4/29/2018 - 4/29/2019																
JAC18035780	Parchman Prison / MDOC	7/21/2018	Hwy 49 N., Parchman, MS	8/7/2018	C	Wind	Storm damage to insured location. - Unit 26 roofing, wastewater treatment building, auto shop roofing, door damage and utility infrastructure.	\$ 694,521.37	\$ -	\$ -	\$ -	\$ 720,428.19	\$ 500,000.00	\$ 220,428.19	\$ 220,428.19	\$ -
JAC19042860	Cold Storage Building for Ag Enterprises	4/8/2019	Hwy 49 N.,	4/16/2019	C	Wind	Storm damage to roof of insured cold storage building.	\$ 151,517.51	\$ -	\$ -	\$ -	\$ 151,517.51	\$ 500,000.00	\$ -	\$ -	\$ -
JAC19049470	Sanderson Plumbing Facility	2/24/2019	Columbia, MS	10/8/2019	C	Wind	Tornado loss at Sanderson Plumbing Facility	\$ 2,500,000.00	\$ -	\$ -	\$ -	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -
												\$ 871,945.70	\$ 1,500,000.00	\$ 220,428.19	\$ 220,428.19	\$ -
POLICY YEAR 4/29/2019 - 4/29/2020																
JAC19049330	State Hospital Warehouse	10/3/2019	3550 Hwy 468 W., Whitfield, MS	10/7/2019	C	Fire	Fire loss at state hospital warehouse.	\$ 930,000.00	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -
JAC19051570	Ellisville State School/Grand Gulf	12/16/2019	Sumrall, MS/Gibson, MS		O	Wind	Tornado damage					\$ 1,630,283.97	\$ 500,000.00	\$ 1,130,283.97	\$ 882,535.82	\$ 247,748.15
JAC20056150	Big Creek Water Park/N MS Regional Center	4/12/2020			O	Wind	Tornado damage					\$ 1,189,928.15	\$ 500,000.00	\$ 689,928.15	\$ 490,268.10	\$ 199,660.05
												\$ 2,820,212.12	\$ 1,500,000.00	\$ 1,820,212.12	\$ 1,372,803.92	\$ 447,408.20
POLICY YEAR 4/29/2020 - 4/29/2021																
JAC20057520	MDOT	5/13/2020	Foxworth MS		C	Fire	Fire due to possible electrical shortage to a mechanic truck caused damage to insured location.					\$ 376,505.82	\$ 500,000.00	\$ -	\$ -	\$ -
JAC21108790	Dept of Ag / MDOT / MDWFP	2/17/2021	Jackson, MS; Houston, MS; Multiple	2/22/2021	C	Wind	Storm damage					\$ -	\$ 500,000.00	\$ -	\$ -	\$ -
JAC20096100	MS DOC/S MS Regional Center/MS Forestry Commission/ MS DOT/MS Dept of Marine Resources/MS Dept of Finance and Admin	10/28/2020			O	Wind	Hurricane Zeta related damage to multiple locations					\$ 4,551,922.72	\$ 1,000,000.00	\$ 3,551,922.72	\$ 934,126.24	\$ 2,617,796.48
	MS Coliseum and Trademark Buildings at Fairgrounds	2/17/2021			C	Freeze	Freeze loss					\$ -		\$ -	\$ -	\$ -
												\$ 4,928,428.54	\$ 2,000,000.00	\$ 3,551,922.72	\$ 934,126.24	\$ 2,617,796.48
POLICY YEAR 4/29/2021 - 4/29/2022																
No losses recorded																
												\$ -	\$ -	\$ -	\$ -	\$ -
POLICY YEAR 4/29/2022 - 4/29/2023																
JAC	MDOT, Military, MSWFP	Rolling Fork MDOT	3/25/2023		O	Wind	Tornado & wind				\$ -	\$ 2,300,000	\$1,000,000.00	\$ 1,300,000.00	\$ -	\$ 1,300,000.00
JAC	Boswell Regional Center	Boswell Reg Ctr	6/16/2023		O	Wind	Tornado & wind				\$ -	\$ 475,000	\$1,000,000.00	\$ -	\$ -	\$ -