



REQUEST FOR PROPOSALS

Broker of Record, Property, Casualty and Liability Insurance and related lines

Spectrum Community Services, Hayward, California

Read the following carefully before submitting a proposal. Instructions for submitting a proposal are at the bottom. Proposals are due by email 4:30 p.m., April 30

About Us

Spectrum Community Services, Inc. (Spectrum), a nonprofit organization operating in Alameda County with headquarters in Hayward, California, seeks proposals for a designated agent and broker to represent the organization in the procurement of property and casualty insurance, general and employment liability policies, directors and officers coverage and other related lines of business. The organization's lines of business include a variety of human services. Specific services include:

- Operation of an energy assistance program, which pays utility and fuel bills for qualified consumers.
- Operation of a weatherization program which provides home improvements that offset investment through energy-savings. Spectrum determines eligibility and scope of projects and provides final inspection of work performed by contractors hired through Spectrum. Spectrum holds a General Contractors License in connection with this work.
- Operation of a Meals on Wheels/Senior Meals program, and
- Operation of a Fall Prevention evidence based exercise and education program to keep seniors independent

Founded in 1971, Spectrum Community Services is a registered, private non-profit organization that assists low-income individuals, families, and seniors in their efforts to live independently. We offer—in partnership with local service organizations—a wide variety of community programs and services including Senior Meals, Meals on Wheels, Fall Prevention, Low-Income Home Energy Assistance Program (LIHEAP), and Weatherization. We strive to promote our clients' financial sustainability and improve the overall quality of their lives.

Current Status

- Current lines of coverage include:
- General liability
- Directors and Officers liability
- Employment Liability
- Property and casualty
- Automobile
- Crime
- Cyber Coverage
- Professional Liability
- Umbrella coverage

Coverage for Workers Compensation is currently obtained through State Compensation Insurance Fund and are not currently looking for employee health insurance.

What we are requesting

Spectrum is interested in a full-service broker for professional advice and best pricing coverage. Spectrum would also want to have advice and counsel on adding and subtracting policies while also reserving the right to make changes in policies as necessary.

Spectrum requires the broker to provide copies of proposed policy language prior to binding coverage and may ask the broker to seek alteration to proposed policies through negotiation of a manuscript policy.

Spectrum depends on the broker to find the best available coverage at the lowest possible cost and expects the broker to engage deeply in dialogue with Spectrum management about the tradeoffs of cost vs. coverage. The organization does not necessarily expect the broker to go to market annually, but the broker should be able to explain a rationale for going to market or not going to market.

Spectrum expects the broker to maintain relationships and be capable of writing coverage with all major underwriters active in the lines of business carried on by Spectrum.

The successful broker may be asked to meet periodically with Spectrum management and governance including the board of directors. The broker is expected to be available via cell phone to provide immediate response to emergency-related inquiries involving coverage. If a broker is not available, the broker should provide an alternative contact who can respond immediately in an emergency situation. Brokers are also expected to provide timely response (within 24 hours) to non-emergency calls and may be asked to provide education to staff or partner organizations about the general nature of property-casualty and liability insurance. Brokers are expected to maintain contact with senior management regarding best practices in

claims management, coverage, general market conditions and opportunities to improve and optimize coverage.

Spectrum has retained the service of its current broker for over ten years. The organization is pursuing a Request for Proposals for services as a matter of routine opportunities for other parties to demonstrate their services and out of an interest in exploring potential availability of savings and expanded coverage. Spectrum is interested in finding the broker that can best meet its insurance needs and will not favor or disregard any broker based on geographic preference. Prior relationship is not a consideration in broker selection.

Selection of the final broker is subject to negotiation of a final agreement regarding scope of services and compensation. The ongoing relationship with the broker is subject to continued satisfaction by Spectrum with broker services and may be terminated at any time. Should principal parties designated by the brokerage firm as account managers for the organization's account change, Spectrum will be informed within 5 business days of such change and provided with updated contact information and an in-person introduction within 30 days of such notification. A change in representative may lead to immediate termination of broker services at Spectrum's sole discretion.

Firms or individuals wishing to respond to this Request for Proposals should submit a proposal containing the following elements not later than April 30, 2021 (see details at bottom). Spectrum may conduct interviews, most likely via electronic platforms such as Zoom or Skype, the week of May 3. The selected broker will be required to bind coverage or arrange for extension of existing coverage in time for the start of the new policy year, July 1, 2021.

Proposal Elements:

1. Please provide name, address and contact information for the broker; name of submitting party; Provide a brief history of your firm's experience in the nonprofit market, especially any history in negotiating insurance for community action agencies. Include references for California based community action agencies that you may represent now or may have represented in the past.
2. Provide name, contact information for the Sales Executive(s) and Account Manager(s) and a brief description of experience in the insurance industry. Contact information should include physical address, direct phone number, fax number, business mobile number and best email contact.
3. Please provide your A.M. Best or other credit rating and your EIN or DUNS number. (Your firm will be checked against the SAM.gov registry to ensure that you are not barred from benefiting from federal funding; an adverse listing in the SAM.gov registry will terminate your eligibility to compete.)
4. In the last 10 years, has your firm or the proposed sales executive or account manager ever been disciplined, sanctioned or convicted by any regulatory body or judicial body in

connection with any insurance matter? Is there anything connected to your firm that might embarrass or bring public ridicule to Spectrum as a result of affiliation with your firm or its principles or account representatives?

5. Please describe how the broker will meet the above outlined insurance needs of Spectrum. Include a list of the underwriters with whom you prefer to work. Are there any underwriters active in the California nonprofit market with whom you do not or will not work? Please offer a description of your view of the current market for insurance and the broker's view of the market over the past 10 years. Has the market "softened," "hardened" or remained status quo? What is your expectation for the future? Should insured parties with exposure similar to Spectrum's (as described above) have experienced increasing or decreasing premiums over the past decade? What factors influence your analysis?
6. Spectrum currently procures nine+ types of coverage (listed above). Are there other products we should consider?
7. Please describe how the broker will work with Spectrum to make sure we have the right Auto Coverage for our well used fleet of vans and the options we have for our Driver Coverage, such as allowable driver points.
8. What is your position on how frequently to take an account to market? Do you go to market every year? Under what circumstances do you recommend clients consider automatic renewals?
9. Describe how you negotiate with underwriters to avoid application of standard coverage terms which may not be applicable or responsive to insured's needs. How do you ensure that the interests of insureds are properly protected?
10. What is your general advice to clients on setting limits on deductibles?
11. Describe the process that follows submission of a claim. Does the broker handle the interface with the underwriter? Does the broker refer the insured to a claims adjuster? What is your involvement if the insured is dissatisfied with the underwriter's response?
12. What is your position on the accuracy of the initial application? Do you believe that the insured is strictly liable to be able to document the accuracy of every statement, including reference to documented assessment of valuation? In your opinion, do unintentional or imprecise misrepresentations potentially void coverage? Do you provide any support to the insured in filling out the application?
13. How do you advise clients regarding the inclusion of "hammer clauses" in policies?
14. What is your approach to "tail coverage," especially as it relates to potentially changing brokers and underwriters?
15. What risk mitigation services do you provide to insureds through analysis or education?
16. How are you compensated for your services?
17. During your last fiscal year, how many contributions did your branch of your organization make to human-services organizations and how much total did you contribute? (Optional: list them.)

Sample Evaluation Score Sheet:

Completeness of application	5 points
Experience with similar organizations (Q1)	5 points
Credit Rating/SAM.gov listing/Disciplinary & sanctions record (Q3)	5 points; (not eligible if listed in SAM.gov)
Responsiveness of application (Q4-Q15)	6 points per question (72 total points)
Compensation (Q16)	5 points
Commitment to sector (Q17)(Q18)	5 points
Flexibility of financing (Q19)	3 points

Instructions for submitting a proposal

Proposals should be emailed to Sanjay@spectrumCS.org. Proposals received via email before April 30 at 4:30 p.m., Pacific Standard Time will be considered submitted.

Spectrum reserves the right to reject all proposals based on strict timeline but may make exceptions, due to extraordinary circumstances related to the current COVID-19 public health emergency.

Questions

Direct questions to Chief Finance Officer Peggy Herndon at PHerndon@SpectrumCS.org
Questions and Answers will be shared with other bidders. A phone call for a courtesy self-introduction is not necessary in order to be considered as a potential broker.