

# Request for Proposals

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

**NeighborImpact, Redmond, Oregon**

**Read the following carefully before submitting a proposal. Instructions for submitting a proposal are at the bottom. Proposals are due by 4:30 p.m., May 14**

## About Us

NeighborImpact, a nonprofit organization operating in Crook, Deschutes and Jefferson Counties and at the Confederated Tribes of Warm Springs with headquarters in Redmond, Oregon, 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 the regional bank providing food to 50+ partners year-round with fresh and commodity food for redistribution.
- Operation of Head Start and Early Head Start programs offering part-day and full day options to children in a preschool setting. The preschool programs involve education, care and feeding and transportation by school bus of children 0-5 as well as evaluation for medical, dental and vision needs with referral to medical providers for follow up.
- 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. NeighborImpact determines eligibility and scope of projects and provides final inspection of work performed by contractors hired through NeighborImpact. NeighborImpact holds a General Contractors License in connection with this work.
- Operation of a housing program that provides rent assistance to qualified families. The housing program also owns and/or operates two transitional family shelters and in the winter of 2019-20 operated a winter warming shelter for the homeless in facilities provided by Deschutes County.

- Operation of a home ownership program which provides counseling on financial capability, pre- and post- home purchase, foreclosure prevention, mortgage assistance, reverse mortgage counseling and a matched-savings program for individuals seeking to develop a saving habit and grow assets. (Also known as an Individual Development Account.)
- Operation of a childcare resources division that provides technical support and training to approximately 300 childcare providers as well as information about placement options for parents. The childcare resources division does not provide direct child care at this time.
- Operation of a lending program with a portfolio of approximately \$4 million under management.
- Operation of a Representative Payee program, which assists individuals who are unable to manage their financial affairs due to cognitive or physical limitations.

The organization was founded in December 1984. It is a designated a community action agency, one of an approximately 900 nationwide, by the state of Oregon and the county commissioners of Crook, Deschutes and Jefferson counties. The organization is also receives its Head Start grant from the federal Health and Human Services Department and is designated a HUD-certified home ownership counseling organization by the US Housing and Urban Development Department. The organization is also one of approximately 260 organizations affiliated with NeighborWorks America, a Congressionally designated and supported organizations dedicated to expanding the supply of affordable housing and providing home ownership services across the United States. The organization is governed by 15 directors, selected to be regionally diverse and who bring designated skills and demographic diversity to the board. The organization is led by a professional executive director with 30+ plus years experience in non-profit and government. The executive director is selected by the board. The organization's annual budget is approximately \$25 million. The number of employees is 228. The organization receives federal and state funding and receives approximately \$4 million annually in private resources, including cash and in-kind services, mostly in the form of donated food. The organization has unrestricted net assets of \$3.9 million. The organization has no debt. The organization and its affiliated are audited annually by a certified public accountant and its audit is submitted to the Federal Audit Clearinghouse. The current-year audit and 990 tax return may also be viewed online at the organization's website. The organization operates from 21 owned and rented facilities located in five cities. The stated valuation of buildings and personal equipment for owned property is \$7,130,622.

The organization maintains a separate affiliated but wholly owned nonprofit subsidiary, the Community Action Foundation of Central Oregon. The organization has a majority interest in Housing Impact LLC, a nonprofit housing development corporation and is sole owner of two LLCs related to solar development, which currently have zero assets. The organization has legacy interest in three defunct corporations related to housing development.

## Current Status

Neither the organization nor its affiliates are party to one lawsuit involving foreclosure of its interest in the estate of a loan made to a recently deceased borrower. In the last 10 years, neither the organization nor its affiliates have been a defendant or respondent in any civil litigation other than matters related to routine property transactions involving preservation of interest in lending. In the last 10 years, neither the organization nor its affiliates have been party to any settlements related to employment liability. The organization actively engages and utilizes corporate counsel.

Current lines of coverage include:

- General liability
- Directors and Officers liability
- Employment Liability
- Property and casualty
- Automobile
- Umbrella coverage
- Crime
- Cyber Coverage
- Pollution
- Workers compensation

Coverage for Workers Compensation is currently obtained through SAIF. NeighborImpact is not interested in exploring new alternatives to workers compensation coverage at this time. The organization's unemployment insurance is managed through the Oregon Employment Department. The organization is not interested in pursuing alternative to state-funded medical insurance. The organization is not pursuing brokerage of medical, dental, vision insurance, life or accidental death and dismemberment insurance at this time.

## What we are requesting

The organization is interested in additional coverage that may further limit organization's exposure to known perils. Because the organization serves young children, the

organization is particularly interested in obtaining the best available coverage protecting its officers, directors and employees against claims of sexual abuse and molestation. The organization requires the broker to provide copies of proposed policy language prior to binding coverage and may ask the broker to seek to alteration to proposed policies through negotiation of a manuscript policy. The organization 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 NeighborImpact 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. The organization 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 the organization.

The successful broker may be asked to meet periodically with organization management and governance including the board of directors, Finance Committee, Executive Committee and other subgroups. The broker is expected to be available via cell phone to provide immediate response to emergency-related inquiries involving coverage. If broker is not available, broker should provide an alternative contact who can respond immediately in an emergency situation. Broker is 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. Broker is expected to maintain contact with senior management (executive director, finance director, facilities and HR director, designated risk manager(s) and other key staff) regarding best practices in claims management, coverage, general market conditions and opportunities to improve and optimize coverage.

NeighborImpact has retained the service of its current broker for the past eight years. The organization is pursuing a Request for Proposals for services as 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. NeighborImpact 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. The final summary score sheet used in broker selection may be viewed upon written request (email is sufficient); however, such summary will disclose scores but not the names of competing applicants other than the final broker. Selection of 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 NeighborImpact with broker services and may be terminated at any time. Should principle parties designated by the brokerage firm as account managers

for the organization's account, NeighborImpact 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 NeighborImpact'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 May 14, 2020** (see details at bottom). NeighborImpact may conduct interviews, most likely via electronic platform such as Zoom or Skype, the week of May 18. The selected broker will be expected to bind coverage or arrange for extension of existing coverage in time for the start of the new policy year, July 1, 2020.

## Proposal elements:

1. Please provide name, address and contact information for 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 and Head Start organizations. Include references for Oregon-based community action agencies and Head Start organizations 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 benefitting 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 NeighborImpact 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 NeighborImpact. Include a list of the underwriters with whom you prefer to work. Are there any underwriters active in the Oregon nonprofit market with whom you do not or will not work?

6. 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 NeighborImpact's (as described above) have experienced increasing or decreasing premiums over the past decade? What factors influence your analysis?
7. NeighborImpact currently procures nine types of coverage (listed above). Are there other products we should consider? (Do not reference health insurance or unemployment insurance.)
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 underwriter 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? Do you accept standard commission, contingent commission, supplemental commission or incentive payment? Do you place any limits on your willingness to accept commissions or payments from underwriters? Do you fully disclose all commissions to your client? If no, which commissions are disclosed and which are excluded from disclosure.
17. Are you or your parent organization a member of the Nonprofit Risk Management Center?

18. 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.)
19. Do you allow financing of premiums? What are your terms of payment?

## 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; (minus 100 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

Mail **TWO** bound or stapled proposals to:

**Kim Lonien**  
**NeighborImpact Director of Finance**  
**2303 SW First St.**  
**Redmond, OR 97756**

**Responsive, written proposals must be received by May 14, 4:30 p.m., Pacific Standard Time to avoid disqualification.**

### Email option

As an alternative to U.S. mail, proposals may be emailed to [kiml@neighborimpact.org](mailto:kiml@neighborimpact.org). Proposals received via email before May 14, 4:30 p.m., Pacific Standard Time will be considered submitted, but two follow up printed proposals must be submitted via U.S. mail or other carrier. Subsequent proposals must be received by noon, Tuesday, May 19 or senders will be disqualified from consideration.

NeighborImpact reserves the right to reject all proposals based on strict timeline but may make exceptions, due to extraordinary circumstances related to the current COVID19 public health emergency.

## Questions

Direct questions to Finance Director Kim Lonien at [kiml@neighborimpact.org](mailto:kiml@neighborimpact.org) or by calling 541-323-6512. Questions may also be directed to Executive Director Scott Cooper at [scottc@neighborimpact.org](mailto:scottc@neighborimpact.org) or by calling 541-323-6502. A phone call for a courtesy self-introduction is not necessary in order to be considered as a potential broker. Due to the current public health emergency, our offices are closed on Fridays.