

Financial Affairs
George M. Burgess, Chief Financial Officer

SUBJECT: REQUEST FOR AUTHORIZATION TO AWARD REQUEST FOR PROPOSAL (RFP) #083-CC10, FOOTBALL ACCIDENT INSURANCE PROGRAM

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

At the Board meeting of February 12, 2003, the Board authorized the release of Request For Proposal (RFP) # 083-CC10, Football Accident Insurance, and approved the Ad-Hoc Insurance Committee, pursuant to the terms of School Board Rule 6Gx13-3F-1.022, Professional Service Contracts for Insurance or Risk Management Programs - Policy.

At the regularly scheduled bid opening which was held on March 18, 2003, proposals from the three following companies were received:

- American National Life Insurance Company of Texas - Arthur J. Gallagher & Co.
- Life Insurance Company of North America - McKinley Financial Services
- MEGA Life and Health Insurance Company - School Insurance of Florida

Staff and the Board's consultant, Siver Insurance Consulting Services, Inc., conducted an analysis of the three received proposals. During this analysis, one of the clarifications which was sought was how the three companies were going to comply with the requirements of Section 627.661, which requires companies providing student accident insurance program to have a Florida based claims operation, to appoint a duly licensed adjuster or resident agent for that purpose.

The Board's appointed Ad-Hoc Committee met on Monday, April 21, 2003 to review the received proposals. The members of the committee are as follows:

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COMMITTEE MEMBERS

Dr. Robert B. Ingram, Vice Chair, Miami-Dade County Public Schools

Mr. George M. Burgess, Chief Financial Officer

Dr. Richard H. Hinds, Chief Financial Officer

Ms. Willa Young, Associate Superintendent, Access Centers

Dr. Rose Barefield-Cox, Administrative Director, MWBE & Related Services

Mr. Scott B. Clark, Risk and Benefits Officer

Absent Dr. Fred C. Rodgers, Administrative Director, Full Service Schools

NON-VOTING RESOURCE PERSONS

Mr. Johnny Brown, School Board Attorney

Mr. Joseph Gomez, Assistant Superintendent, Procurement Management Services

Ms. Kathleen Gordon, Siver Insurance Consultants, Inc.

The pricing of the three received proposals is as follows:

	Arthur J. Gallagher	McKinley Fin.	School Ins. of Florida
2003-2004			
Fall Premium	\$125.00	\$115.00	\$140.00
Spring Prem.	\$ 24.00	\$ 23.00	\$ 28.00
2004-2005			
Fall Premium	\$125.00	\$126.00	N/A
Spring Prem.	\$ 24.00	\$ 25.00	N/A

The proposal received from School Insurance of Florida was not only the most expensive program for the first year, without a second year guarantee, but it also did not provide the same level of benefits provided by the other two proposers.

A letter was received, dated April 17, 2003, from Arthur J. Gallagher & Co. requesting that their quotation be withdrawn. While the Board's specifications does not allow for proposers to withdraw proposals, once they are opened, the fact is somewhat moot, due to the fact that proposal received by McKinley Financial Services had the most competitive pricing and provided the level of benefits requested in the RFP.

Following the discussion of the proposals, the committee voted unanimously to recommend McKinley Financial Services as the successful vendor for the football accident insurance program, subject to staff meeting with McKinley to see if the proposed 2004-2005 school year premiums could be reduced.

Following that direction staff did contact McKinley Financial Services, and was successful in negotiating the second year's fall premium from \$126.00 to \$121.00.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. award its football accident insurance program, pursuant to the terms and conditions of Request For Proposal (RFP) # 083-CC10, Football Accident Insurance to Life Insurance Company of North America (A.M. Best A u XV), through McKinley Financial Services, Inc., effective August 1, 2003, for an initial three year term, subject to premium guarantees for the first two years of the program as follows, with the third year to be negotiated and brought back to the Board prior to August 1, 2005:

School Year	Fall Premium	Spring Premium
2003-2004	\$115.00	\$23.00
2004-2005	\$121.00	\$25.00

2. authorize expenditures for the Board subsidy for fall and spring football season's football insurance premiums with the Board paying \$80.00 and the athlete paying \$35.00 equaling a total fall football premium of \$115.00 for the 2003-2004 fall football season; and the Board paying \$12.00 and the athlete paying \$11.00 equaling a total spring football premium of \$23.00 for the 2003-2004 spring football season; and the Board paying \$85.00 and the athlete paying \$36.00 equaling a total fall football premium of \$121.00 for the 2004-2005 fall football season; and the Board paying \$13.00 and the athlete paying \$12.00 equaling a total spring football premium of \$25.00, funding for this contribution to be taken from the football insurance budget (Fund 0100, Object 5321, Location 9112, Program 9883, Function 7730)

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