

MARYLAND STATE TREASURER'S OFFICE

**Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401**

**REQUEST FOR PROPOSALS FOR INSURANCE BROKER SERVICES
FOR CRIME, SURETY/BONDS AND RELATED COVERAGES
ITB # CSBC-05032014**

QUESTIONS AND ANSWERS

June 13, 2014

- Q-1. Please provide the premium for each policy represented within this ITB (23 policies) for the last 3 years.
- A-1. See Exhibit 1 (attached) for current premiums. Full details will be provided to the selected broker.
- Q-2. Who is the current broker on the account?
- A-2. Willis of Maryland, Inc.
- Q-3. What are the broker fees on these bonds and related coverages?
- A-3. See Exhibit 1 (attached).
- Q-4. It seems that many current policies could be consolidated, moreover representing additional premium savings, but under a blanket policy approach. Has this approach ever been presented?
- A-4. Some bonds are based on the term of the individual and some of the crime policies are invoiced to the specific agency and have varying terms, conditions and limits. Additionally, there are statutes or regulations that indicate separate bonds must be procured for each individual. With all the variations we have not approached this on a blanket basis, but we are always open to any options that will work best for the State.
- Q-5. There are a couple three year policies, please explain? If it made better sense on an annual policy basis, would you consider?
- A-5. Some three year policies offer premium discounts, or must meet employee terms of office, and others are a matter of convenience. We will consider options that are best for the State.

EXHIBIT 1

		Current Policy Term	Current Premiums	Current Broker Fees
	Crime Coverages (2)			
I	Maryland Transportation Authority	12-1-2013/14	\$ 3,739	\$ 2,250
II	Maryland Transit Administration	3-10-2013/16	\$ 38,937	\$ 2,250
	Employee Dishonesty Coverages (5)			
I	Judiciary	7-1-2011/14	\$ 7,908	\$ 875
II	State Retirement & Pension	7-1-2013/14	\$ 1,751	\$ 875
III	DHCD- Fannie Mae (contract addition/paid commission)	12-31-2013/14	\$ 1,258	\$ 365
IV	DHCD- HUD	3-1-2014/15	\$ 18,509	\$ 875
V	College Savings Plan	4-1-2014/15	\$ 1,261	\$ 875
	Surety/Bond Coverages (26)			
	<i>Flat broker fee of \$2,000 per fiscal year for all of the following surety coverages:</i>			\$ 2,000
	<i>(list includes 3 new bonds added midterm - see below)</i>			
I	UMUC Kentucky (contract addition/paid commission)	7-1-2013/14	\$ 873	\$ 374
II	MD Board of Physicians CHAIR	7-1-2012/14	\$ 70	not paid in FY2014
III	Towson Postal Unit Bond	8-1-2013/14	\$ 100	\$ 285
IV	Legislative Auditor	12-4-2013/14	\$ 420	\$ 285
V	DHMH- Deer's Head Center	12-18-2013/14	\$ 490	\$ 285
VI	DHMH- Western MD Center	12-18-2013/14	\$ 490	\$ 285
VII	DHMH- Willow Brook Square	1-1-2014/15	\$ 70	\$ 285
VIII	UMUC- Washington (contract addition/paid commission)	1-1-2013/16	\$ 373	\$ 160
IX	UMUC- North Carolina (contract addition/paid commission)	1-1-2013/16	\$ 175	\$ 75
X	UMCP Customs Bond	1-3-2014/15	\$ 425	\$ 290
XI	POB Comptroller	1-22-2011/15	\$ 1,491	not paid in FY2014
XII	POB Treasurer	2-1-2011/15	\$ 6,501	not paid in FY2014
XIII	POB Treasurer re Custodian of Unemployment Fund	2-1-2011/15	\$ 249	not paid in FY2014
XIV	*MD Board of Physicians Director	2-22-2013/14	\$ 70	\$ 285
XV	POB MIA Commissioner	6-13-2011 to 5-31-2015	\$ 1,477	not paid in FY2014
XVI	POB MIA Deputy Commissioner	9-7-2011/15	\$ 1,491	not paid in FY2014

As of 6-12-2014

Note- current premiums are net of commission if a broker fee is shown.

Only expectations are 1) the three surety/bond coverages paid commission that is shown in the broker fee column and Surety/Bond coverages that are included in the FLAT broker fee and did not renew in FY2014.

*Position vacancy expected to be filled in 2014.