

MARYLAND STATE TREASURER'S OFFICE

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

**INSURANCE BROKER SERVICES FOR
CRIME, SURETY/BONDS, EMPLOYEE DISHONESTY AND RELATED COVERAGES
ITB #CSBC-04182017**

QUESTIONS AND ANSWERS

May 3, 2017

Q-1. Who is the incumbent for each of the three categories?

A-1. The Avon-Dixon Agency, LLC

Q-2. What is the current total compensation for each of the three categories?

A-2. See Exhibit 1 (attached).

Q-3. Are there any bonds/policies that the state would prefer to be continued via broker of record rather than replaced? This question is mainly directed towards the Customs Bond for the University of Maryland, College Park (2.5.3) for \$50,000 with Fidelity and Deposit Company of Maryland.

A-3. No. Refer to the ITB, Section 2.2 Broker Services, paragraph 2.2.11.

Q-4. Will the State provide copies of current bonds and policies for our review?

A-4. This procurement is for broker services only and full details on the specific coverages, including policies, will be provided to the selected broker.

Q-5. How is the indemnity on the bonds currently structured?

- Who is signing the indemnity agreements?
- Is personal indemnity available (where applicable)?

A-5. The indemnity agreements are structured and signed based on the type of bond that is being procured. Personal indemnity available, where applicable.

Q-6. What is the current premium and rate or commission/fee structure for all of the named policies (bonds, employee dishonesty, commercial crime).

A-6. See Exhibit 1 (attached).

Q-7. The public official bond for the Deputy Insurance Commissioner of the Maryland Insurance Administration (2.5.9) is listed as effective July 1, 2022. Will the state require a definitive

quote for this bond on the initial proposal or will there be a revised proposal at the time of the potential contract renewal?

- A-7. Bidders are to complete Appendix A – Price Proposal as instructed in the ITB. Insurance Broker services fees are for the initial term and for all subsequent annual terms.
- Q-8. May we review copy of the current contracts for the three categories?
- A-8. Contracts are considered public documents and may be requested under the Maryland Public Information Act (MPIA). Requests for documents under the MPIA must be made in writing to the Procurement Officer identified in Section 1.2 of the ITB. This procurement is for broker services only and full details on the specific coverages including policies, will be provided to the selected broker.
- Q-9. How many copies of the ITB response are supposed to submit?
- A-9. One original copy of the Bid.
- Q-10. Do we include the price list and the technical proposal in the same batch or do we submit them separately?
- A-10. The bid will include the price as well as the required qualifying information and is to be submitted as one document.

EXHIBIT 1

		Policy Term	Net Premium	Broker Fees
	<u>Bond & Related Coverage Premiums</u>			
	Crime			
1	DHCD- HUD	3-1-2017/18	\$15,630	\$1,200
2	Maryland Transit Administration (broker fee paid 1 st yr only-2016)	3-10-2016/19	\$38,937	\$3,500
3	Maryland 529 (formerly College Savings Plans of Maryland)	4-1-2017/18	\$1,359	\$500
4	Judiciary (broker fee was paid 1 st year only- 2014)	7-1-2014/17	\$8,028	\$875
5	State Retirement & Pension	7-1-2016/17	\$1,658	\$800
6	Maryland Transportation Authority	12-1-2016/17	\$4,096	\$750
7	DHCD- Fannie Mae	12-31-2016/17	\$1,879	\$500
	Various Public Official / Surety Bonds			
8	DHMH- Willow Brook Square	1-1-2017/18	\$100	\$75
9	UMCP Customs Bond	1-3-2017/18	\$175	\$150
10	POB Comptroller	1-22-2015/19	\$2040	\$700
11	POB Treasurer	2-1-2015/19	\$6,827	\$700
12	POB Treasurer re Custodian of Unemployment Fund	2-1-2015/19	\$285	\$700
13	MD Board of Physicians DIRECTOR	8-4-2016/17	\$100	\$250
14	POB MIA Commissioner	1-21-2015/19	\$1,593	\$700
15	MD Board of Physicians CHAIR	4-6-2017/2018	\$100	\$75
16	Towson Postal Unit Bond- no longer need, last bond expired 2016.	n/a	n/a	n/a
17	POB MIA Deputy Commissioner	7-1-2014/18	\$1,491	no charge in FY15
18	Legislative Auditor	12-4-2016/17	\$472	\$225
19	DHMH- Deer's Head Center	12-18-2016/17	\$490	\$225
20	DHMH- Western MD Center	12-18-2016/17	\$490	\$225
21	UMUC- Hawaii Tuition Bond (*Added coverage)	9-5-2016/17	\$1,660	*30% commission
22	UMUC- Washington State Tuition Bond	1-1-2017/18	\$175	\$150
23	UMUC- North Carolina Tuition Bond-no longer need, expired 2016	n/a	n/a	n/a
24	UMUC Kentucky Tuition Bond-no longer need, expired 2015	n/a	n/a	n/a