

Request for Proposals (RFP)

Project Management Information System  
Underwriting / Policy Administration

South Dakota Public Assurance Alliance (SDPAA)  
208 Island Drive  
Ft. Pierre, SD 57532

<b>RFP Schedule</b>	
Issuance of RFP:	10/10/2024
Submission of Questions about the RFP:	10/21/2024
Proposal Due:	10/31/2024
Anticipated Contract Award:	12/06/2024

I.	INTRODUCTION .....	4
A.	Purpose.....	4
B.	Background.....	4
C.	SDPAA Contact Person .....	4
D.	Current Systems and Profile.....	4
II.	GOALS OF THE RFP .....	5
III.	PROCESS FOR SELECTING THE VENDOR .....	5
A.	Selection Steps / Format .....	6
B.	Evaluation Criteria .....	6
C.	Other Vendor Selection Provisions .....	6
D.	Demonstrations.....	6
IV.	REQUIREMENTS.....	6
A.	Minimum Qualifying Vendor Criteria.....	6
B.	Functional Requirements .....	7
C.	Technology .....	11
D.	Project Management Strategy .....	14
V.	PRICE.....	14
A.	Pricing Information.....	15
B.	Changes .....	16
VI.	GENERAL INSTRUCTIONS .....	16
A.	Oral Communications.....	16
B.	Changes to RFP.....	17
C.	Exceptions / Deviations .....	17
D.	Authorization to do Business .....	17
E.	Pre-Contractual Expenses .....	17
F.	Withdrawal; Proposal Irrevocable for 90 Days.....	17
G.	Disposition of Proposals .....	17
H.	Immaterial Defects in Proposal.....	18
I.	Written Agreement .....	18
J.	Term of Contract .....	18
K.	News Releases .....	18
VII.	PROPOSAL FORMAT AND CONTENT .....	18
A.	Cover Letter .....	18
B.	Qualifications, Related Experiences and References .....	19
C.	Staffing and Project Organization .....	19
D.	Work Plan / Technical Approach.....	19
E.	Cost Schedule .....	19
F.	Sample Contract .....	20
VIII.	APPENDIX A .....	20
A.	SDPAA PROFILE.....	20
IX.	APPENDIX B – SDPAA CONTRACT CONSIDERATIONS .....	21
A.	Mandatory Provisions .....	21

B. Independent Contractor Status .....21  
C. Governing Law and Venue .....21  
D. Insurance .....22  
E. Other Contract Considerations .....22  
F. Dispute Resolution .....23

## I. INTRODUCTION

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### A. PURPOSE

South Dakota Public Assurance Alliance (“SDPAA”) is seeking proposals from qualified vendors that provide a Project Management Information System (“PMIS”) with Underwriting/Policy Administration System software specialization.

The purpose of this Request for Proposals (RFP) is to procure a fully supported browser based or client/server based multi-line PMIS with robust system functionality for policy management, underwriting and rating, claims data, member management, document management, finance management, and reinsurance tracking and billing. The PMIS should also support activities relating to the collection and analyses of loss and exposure-related information and the generation of sophisticated user-defined and ad hoc reports.

### B. BACKGROUND

The SDPAA is a nonprofit organization that provides property coverage, as well as liability coverage and risk management services to South Dakota cities and counties and other public entities as defined by SD Statute. Based in Ft. Pierre, the SDPAA was formed in 1987. The SDPAA is sponsored by the SD Municipal League.

Members of the SDPAA have varying anniversary dates throughout the year. SDPAA’s coverage is continuous until cancelled with annual re-rating of contributions based on updated exposures and rates. With varying renewal cycles, SDPAA has two rating terms running concurrently.

Documents related to the coverage elected by the Members (including declarations pages, schedules, endorsements, certificates of coverage, etc.) are provided to each Member annually.

### C. SDPAA CONTACT PERSON

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### D. CURRENT SYSTEMS AND PROFILE

SDPAA currently utilizes the following systems.

- Underwriting/Rating – LARS (proprietary client/server software written on Microsoft Access); Excel
- Financial – QuickBooks; Sage; Excel
- Liability Claims Administration – CSC’s RISKMASTER (Claims Associates, Inc. (TPA))
- Property Claims Administration – CSC’s RISKMASTER (Claims Associates, Inc. (TPA))
- Property Schedules –LARS, Excel
- Property Valuations – LARS, Excel
- Certificate Tracking – LARS, Excel
- Fleet Tracking—LARS, Excel
- Document Management – Server Based
- Safety / Loss Control – Excel, PDF (Safety Benefits, Inc. (TPA))

SDPAA’s current system is an in-house system built on Microsoft Access (LARS). The system is the hub that runs the entirety of SDPAA’s underwriting functions and is also the main source for finance and billing, risk management and member services departments and facilitates claims data and reporting functions.

Current elements of LARS include the below.

Element Type	Approximate Number of Elements
Database Tables	200
SQL Statements <i>(statements defining which data is pulled from the database tables for different activities and reports)</i>	1130
Data Entry Screens and Selection Screens	170
Reports / Sub reports	200
Code Lines <i>(excluding comments)</i>	43,000

## II. GOALS OF THE RFP

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SDPAA seeks a comprehensive system solution that:

- Maintains a single, common infrastructure for underwriting rating and exposures, policy creation and management, property asset inventory and valuations, organize imported claims data, and financial information for improved data analysis;
- Automates existing pool procedures and reduces SDPAA’s reliance on manual activities and duplication of effort among staff;
- Enhances internal communication with staff by use of dashboards and ability to review Member history and activities.
- Integrates internal and external data as needed to accomplish required analyses;
- Integrates document management functionality throughout the PMIS for the easy generation of endorsements, policies, claim summaries, reports, and others;
- Improves the availability and accuracy of exposure, claims, financial, and member data throughout the organization;
- Combines as many of the business functions of the pool as possible in one software application. This system should support a transparency of business processes that is visible from member management to policy management to claims to risk management to finance;
- Replaces the current underwriting and rating application (LARS);
- Provides a full portal for members to submit and receive information;
- Includes strong document management capability;
- Has powerful and flexible reporting capability;
- Provides a flexible array of dashboards that can be configured by each key SDPAA department, and its members based on security limitations that accommodate privacy between members;
- Is flexible enough to collect and report on information provided by underwriting, finance, loss control, member services; and
- Easily, accurately and timely integrates with existing systems used by SDPAA such as QuickBooks, RISKMASTER, and Sage.

## III. PROCESS FOR SELECTING THE VENDOR

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**A. SELECTION STEPS / FORMAT**

The key steps in our vendor selection process and associated target dates are as follows.

<b>Vendor Selection Steps</b>	<b>Target Completion Date</b>
Issuance of RFP	10/10/2024
Deadline for Submission of Questions Regarding the RFP	10/21/2024
Proposal Due	10/31/2024
Finalist Demonstrations	TBD
Anticipated Contract Award	12/06/2024

**B. EVALUATION CRITERIA**

SDPAA shall select the vendor that in our sole discretion offers the solution most advantageous to us. The major criteria for evaluating the systems vendors are:

1. Ability of vendor’s solution to meet the functional, technical, and service requirements of SDPAA;
2. Vendor’s success with similar solutions;
3. Vendor’s financial strength and stability;
4. Vendor’s reputation in the risk management and pooling community;
5. The qualifications of key personnel assigned to service SDPAA;
6. Proposed pricing; and
7. Vendor’s implementation strategy.

**C. OTHER VENDOR SELECTION PROVISIONS**

SDPAA reserves the right to reject any and all proposals at any time during this selection process.

If SDPAA is unsuccessful in reaching an agreement with the preferred vendor, it reserves the right to negotiate contract terms with another vendor.

**D. DEMONSTRATIONS**

Once a review of submitted proposals has concluded, a short list of vendors will be invited to demonstrate their proposed solutions for SDPAA. Demonstrations will address scenarios developed by the SDPAA.

**IV. REQUIREMENTS**

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**A. MINIMUM QUALIFYING VENDOR CRITERIA**

SDPAA seeks a comprehensive solution that will address its liability and property programs. Administration of claims shall remain with Claims Associates, our third-party claims administrator (TPA).

Provide a written response to each of the items below regarding the company and include basic information regarding the product(s) proposed as part of the solution.

1. Has vendor solution been successfully implemented for an intergovernmental risk pool in the past? Please indicate the lines of coverage supported.
2. What is the average length of time from contract acceptance to “go live” status?
3. How many insurers are you currently running in your PMIS in production today?

4. Is vendor's solution accessible through a common web browser for all non-administrative functions?
5. Is vendor's solution scalable to accommodate concurrent users (underwriters, member services, adjusters, etc.) without noticeable performance degradation?
6. Does vendor's solution include a rating engine, quote management, conversion of quotes to policy, audit and reate functionality?
7. Does vendor's solution include the ability to create, store and print proprietary forms/documents?
8. Does vendor's solution have the ability to track third party policies that the Pool might not necessarily provide but should be apprised of? For example, the ability to associate a separate flood policy written through the National Flood Insurance Program by another broker to a corresponding SDPAA policy.
9. Are all basic policy administration transactions included, such as New Business, Proposal Issuance, Renewal, Non-Renewal, Cancellation, Reinstatement, Endorsement, and Audit processing?
10. Has the vendor successfully implemented a system with multiple renewal days throughout the calendar year?
11. What configuration tools are included? To what extent will these tools allow SDPAA to maintain and extend the environment independently?
12. Describe the major items on your product roadmap for the next 6 to 18 months.

## B. FUNCTIONAL REQUIREMENTS

Solution must include capability for administering underwriting and policy management for all lines of coverage, including pass-through coverages. Coverages include General Liability, Auto Liability, Law Enforcement Liability, Property, Auto Damage, Boiler and Equipment, Crime, and Cyber Liability.

In general terms, the proposed system should have ease-of-use as a primary underlying concern. Overall, SDPAA is seeking a unified system that:

- Allows users with proper access to manage the system through an easy-to-use web-based interface and navigation.
- Is not based on any platform- or browser-specific technology that could hinder performance or use on any platform.
- Employs tools that allow greatest ease-of-use whenever possible (calendar widgets for selecting dates, required field validation on data entry screens, mathematical validation or automation on arithmetic fields, etc.).
- Stores data gathered from current or prospective Pool Members within the system until deliberately excised.
- Allows for import of multiple data elements to reduce manual entry.
- Makes the production of quotes, coverage certificates, and reate packages as streamlined as possible.

Keeping the ease-of-use needs outlined above in mind, please provide a broad description of how the solution addresses the topics shown below. If there are areas that may only be achieved by incorporating other third-party products, please describe how this will be integrated and include previous experience with such integration. It is imperative for the solution to perform all the functions shown below and it is expected that each of these areas will be addressed in full during the demonstration phase.

1. Rating
  - a) Process and run system for entire membership, including multiple renewal dates throughout the calendar year, concurrently.
  - b) Allow varying deductibles and retentions per line of coverage and per line item within a coverage.

- c) Designate a midterm endorsement as “contribution waived” for the current term (without charging contribution for this term) but include and charge contribution on renewal.
- d) Automatically pro-rate mid-term additions / deletions and invoice accordingly.
- e) Create, save and amend rating algorithms.
- f) Review renewal and mid-term changes in contributions before binding.
- g) Rate imported schedules automatically, with ability to review contribution changes before acceptance.
- h) Rating engine (including readily configurable algorithms and rate updates).
- i) Business rules.
- j) Management of rates and ability to change said rates and rating program internally, without the assistance of vendor.

## 2. Member Information and Statistics

- a) Establishment and maintenance of multiple policies/submissions in the system.
- b) Management of contact information for members or prospective members (past, current, future).
- c) Manage credits qualified by year by member and apply to renewal invoice.
- d) Roles and Security – Including Web-Based Portal with member access.

## 3. Quotes and Policies

- a) Management of quotes from initial request (including requested iterations) through binding to contract.
- b) Management of coverages from initial issuance through annual rerating.
- c) Enter and quote contribution before accepting / binding change, update, or proposal.

## 4. Workflow

- a) Integrated workflow across multiple functions (policy, billing, claims).
- b) Integrated workflow across multiple programs (underwriting, claims, finance).
- c) Workflow within policy processes (automated task creation, predefined transactional workflow, process metrics, automated assignment, etc.).
- d) Ability to assign tasks to individual staff or to members (renewals, follow ups) with due dates.
- e) Ability to transfer tasks internally by department or to specific staff.
- f) Integrated queue(s) to assign department and individual tasks or assign requests from staff and / or members.

## 5. Tracking

- a) Historical data for member payroll, employee counts, vehicles, properties, population, expenditures and volunteers, among other exposures directed by SDPAA.
- b) Diaries / Ticklers.
- c) Unified document storage for notes, documents, etc., across all users.
- d) Dates – due dates, process flow.
- e) Certificates of Coverage, create and issue, track by coverage year and attach to asset(s).
- f) Record and track by member, by policy year:
  - i. Exclusions;
  - ii. Exceptions;
  - iii. Endorsements;



- iv. Special Terms and conditions;
  - v. Certificates of Coverage; and
  - vi. Changes in limits, specifically liability limits.
- g) Historical data for applications, renewals, Declaration packets and page changes, binders, quotes and stand-alone policies; both on the member level and reinsurance level.
  - h) Receive and track calls and emails from members within specific member file.
  - i) Internal 'notes' section attached to the member account file, where Member-specific activities can be documented and viewed among all internal users.
  - j) View and track schedules, download agendas, audits and inspection schedules.
  - k) Property schedules should include ways to:
    - i. Maintain and track assets and values;
    - ii. Retain history of assets and values;
    - iii. Track COPE information, outdoor property, inland marine properties, electronic data, and boiler / equipment locations;
    - iv. Import / export data to Excel and PDF;
    - v. Track contents by location;
    - vi. Ability to look up VIN for vehicle information including value and classification; and
    - vii. Track vehicle make, model, VIN, GVW, depreciation / age factors.

#### 6. Document Generation, Attachment, Storage and Management

- a) Renewal packets, invoices, and Declaration packets, all inclusive of each particular Member's exposures and coverage terms.
- b) Document generation, distribution, storage and retrieval.
- c) Automatic document production based on process (ie – connecting standardized documents to completed processes).
- d) Document archiving and retrieval.
- e) Attachment, cataloguing and retrieval of externally generated documents.
- f) Ability to add, remove, update and / or change forms internally, without the assistance of vendor (ie, no coding changes).

#### 7. Reporting

Specific reports must be built, tested and ready for production prior to the "go live" date. Reports include loss runs, reinsurance (bordereau) reports, contribution receivables, loss ratios, agent commissions, prepaid contributions, earned / unearned contributions, IBNR calculations and others that may be specified by SDPAA.

- a) Standard and ad hoc reporting (various levels of complexity - basic business user and data mining specialists).
- b) Excess carrier and / or broker reinsurance exposure reports.
- c) Actuarial reporting (time based, loss triangles).
- d) Schedule and send recurring reports for members, staff, and / or TPAs.
- e) Easily extract comprehensive data to be used singularly or in combination with other Pool-wide data components for analysis and reporting.
- f) Pull reports based on specific date(s).
- g) Audit and executive summary reports.

#### 8. Data Import/Export

- a) Transfer data into the system via import.
- b) Extract data via export.
- c) Import / Export member schedules and rate based on imported data.

9. Finance and Billing

- a) Invoice contributions, pro-rated terms, retroactive billing, and credits.
- b) Invoice annually, bi-annually, and quarterly.
- c) Calculation of Agent commissions.
- d) Checks and balances of paid / unpaid invoices.
- e) Mark invoices paid to relay information to QuickBooks and Sage systems.

10. Member Portal

- a) Provide members access to their coverage and claims information as allowed by SDPAA, including but not limited to Certificates of Coverage, Auto ID Cards, and Loss Run Reports.
- b) Enable members to submit renewal information and mid-term changes.
- c) Upload change requests to be handled internally.
- d) Utilize system as hub for communications and notifications between SDPAA and its Members.
- e) Ability to enter Member specific changes and receive instant estimated quote for contributions, subject to review and approval.

11. Pool Specific Business Needs

- a) Import experience modifiers, from Excel, calculated by our Actuary.
- b) Upload daily claims data feed from RISKMASTER from Claims Associates, Inc. (TPA).
- c) Integrate financial data to and from QuickBooks and Sage.
- d) Policy set up to allow departmental allocation of contribution by department for reporting or billing (breakout of contribution by exposure and property item).
- e) Roll-over billing when on a provisional renewal.
- f) Independently adjust components throughout the system to respond to future needs (new/changed coverages, additional/removal of data fields or contributions).

12. Configuration

Please describe configuration of the following items in detail. Indicate what configuration tool is used and who typically does the configuration (business SME, business analyst, IT analyst, carrier developer, vendor developer, etc.).

- a) Rates, coverages and product rules
- b) Roles, access and authorization
- c) Existing screen modifications
- d) New screens
- e) Screen navigation
- f) Documents
- g) New data elements
- h) Workflow (predefined tasks, automated assignment, etc.)
- i) Rules
- j) Inbox
- k) Billing/payment plans
- l) General look and feel

- m) Table maintenance, list of values, etc.
- n) System updates and / or rollouts
- o) Other configurable items in your system
- p) Ability for multiple versions for rating and business rules for each line of coverage and keep historical information on file and use for member renewals

### 13. Additional Features

Describe and explain any additional features that distinguishes your solution beyond the items listed in above section. Highlight specifically any features that will streamline our processes.

## C. TECHNOLOGY

Chosen vendor will be required to have discussions with our IT developer to confer on the methodology and integration process from our current LARS system to the new software. Calls will begin prior to any project initiation and as directed throughout the entire implementation by SDPAA.

### 1. Application Architecture

- a) Generally describe the product's application architecture. Provide a high-level diagram, if feasible.
- b) List all programming languages (open or proprietary) used in the product, supported by the product and Software Development Kit (SDK) and/or Application Programming Interface (API) available. Include versions.
- c) Describe how the product handles logging of activities and where and when logging takes place.
- d) Does the product offer an extensions API? Integration API? Web services?
- e) When a product configuration change is made, are there any cases that require APIs to be changed, or new APIs to be added? Does a production configuration change require development or other software development lifecycle (SDLC)-level effort?
- f) Can all code generated during product configuration be debugged (break points, step through code, view variable values, etc.) with a standard development tool, or a tool that is included with the product?
- g) Are there any restrictions to the number of people that can work in the product configuration tool at once?
- h) Is the application architecture server platform agnostic? Database agnostic? Language neutral?
- i) Is application programming API /web service API documentation, along with samples, available?
- j) Is the web user interface based on Web 2.0 or Web 3.0 standard? What browsers are supported? Are there special browser requirements (plug-ins/ActiveX controls, etc.)?
- k) Does the product support/provide scheduling platform for batch process execution?
- l) Does the product provide reporting infrastructure for online, canned/ parameterized, ad hoc and batch reports?
- m) Are the business rules externalized for flexible and easy modifications?
- n) Does the product offer an adequate diagnostic tool set (monitoring tools, knowledge base articles, community forums, tech support, and professional services) for quick and independent resolution of production issues?

### 2. Data

- a) Pool data must be segregated from others' data and housed in the United States.
- b) Pool must have unlimited access to its data, including ability to receive exports as SQL-formatted file(s), Excel, and PDF.

- c) Specify what data access tools are needed by product. Document the version, level and associated fixes the data access tool needs to support your product.
- d) Please provide a high-level overview of your data model and sample data dictionary.
- e) Provide a sample set of data for those tables represented in the provided data model and data dictionary.
- f) When accessing a data element from the database, does the application need to access the data dictionary to locate the data element in the database?
- g) Can the database be read directly through structured query language (SQL) and be understood without requiring translation through a data dictionary?
- h) Can the referential integrity be checked at the database level, or are the cardinality rules generated in code based on product configuration?
- i) When a product configuration change is made, are there any cases that require data to be unloaded and reloaded. If so, please describe.
- j) Specify which database management system (DBMS) is needed by product. Document the version, level and associated fixes the DBMS needs to support your product.
- k) Document the version, level and associated fixes any integrated (including third-party) reporting tools need to support your product. If your product is not supported on or does not use reporting tool standards, document your reporting tool requirements.

### 3. Integration

- a) Specify the messaging tools and standards used to support messaging for close-to-real-time and asynchronous processing.
- b) Describe how product triggers an integration transaction when an event occurs.
- c) Specify any tools required to support input and output of data to or from a schema-based extensible markup language (XML) format.
- d) Describe how and in what formats rating and valuation data might be imported, and if different sets of imported data can be maintained across multiple years.
- e) Describe how the product ensures triggered events are properly committed, rolled back, or not triggered until the commit is complete.
- f) Describe any included or third-party output (document) generation engine(s) used throughout the product offering.
- g) Describe any included or third-party Enterprise Content Management (ECM) or document archive software used throughout the product offering.
- h) Describe any included or third-party rules engine(s) used throughout the product offering.
- i) Describe any included or third-party portal technology used throughout the product offering.
- j) Describe your preferred approach for migrating or accessing legacy data. Include any third-party tools that can facilitate such data migration or access.
- k) Describe how front-end integration is accomplished and what front end integration has been utilized by other clients (ie, GoogleEarth).

### 4. Information Technology Process

- a) Describe your change management processes and procedures.
- b) Describe your configuration management processes and procedures.
- c) Describe your policies and processes for supporting and customizing the product. Include definitions of “bug” versus “enhancement,” “in-scope” versus “out of scope,” etc.
- d) Provide samples of requirements and design documents that are representative of the level of detail that would be used for implementation at SDPAA. Include API reference guides, user guides and support portal (knowledgebase), community support, etc.

- e) Describe components of the required development environment necessary to support the product.
- f) Provide a glossary of terms related to your product.
- g) Define your typical approach for a project of this size, including requirements analysis inputs and deliverables, development methodology and deliverables, test methodology and deliverables, deployment approach and project management methodology employed.
- h) Provide an overview of the software development lifecycle (SDLC) methodology employed by your team for product development.
- i) Describe the process used for estimating development and project management costs.
- j) Where and how will project work be performed (e.g., locations, team structure, etc.)?
- k) Describe the roles and responsibilities of all team members required for this project.
- l) What are the specific skills that your team brings to the project, and how will these drive to success?
- m) What SDPAA resources will be required throughout the project? Include estimated SDPAA staffing skills and full time equivalent (FTE) resources required to support your staffing plan.
- n) Due to the dependence on critical skills, will you name those specific individuals that you will commit to this effort? If not, why not?
- o) Describe the processes and procedures employed to ensure quality assurance (beyond testing).
- p) Describe your release management processes and procedures, including the frequency of releases to customers.
- q) Describe your policies and processes for your client to upgrade product to a newer version. What tools are available to your customers to ease your product upgrade process?
- r) Describe how you provide knowledge transfer for ongoing use, maintenance and configuration of the product. Include scenarios of how vendor staff changes may or may not affect the process and how it is handled. Provide samples or training curricula, if available.
- s) Describe training requirements and associated costs to enable SDPAA to host the product internally.
- t) Describe the availability of documentation, support and professional services. Would support be provided by the vendor or third-party, and how would support be requested (phone, ticket system, email, etc.)?

## 5. Platform

- a) Specify the server hardware standards supported and recommended for your product based on role(s). Provide scalability requirements and describe possibilities for clustered/distributed environment. Are 64-bit environments fully supported?
- b) Specify the storage standards required by your product. Document the version, initial storage requirements and growth projections with a degree of probability.
- c) Specify the application server standards supported by your product. Document the version, level and associated fixes the servers need to support your product.
- d) Specify the web server standards supported by your product. Document the version, level and associated fixes the servers need to support your product.
- e) Specify the database server standards supported by your product. Document the version, level and associated fixes the servers need to support your product.
- f) Specify the network standards supported by your product. Document the version, level and associated fixes the servers need to support your product. Document all requirements your product has for a typical installation on these networks. Document any known issues your product may have in a typical install on these networks.
- g) Describe desktop system requirements, including computing power, memory, operating system, ancillary applications, connectivity, local storage, etc. Are 64-bit environments fully supported?

## 6. Security

- a) Document all requirements your product has for a typical installation using lightweight directory access protocol (LDAP) and Active Directory. Document any known issues your product may have in a typical install using these services.
- b) Document all requirements your product has for a typical installation for Single Sign On services. Document any known issues your product may have in a typical installation using these services.
- c) Document all requirements your product has for a typical installation for platform authentication services. Document any known issues your product may have in a typical installation using these services.
- d) Describe how granular user access control can be within the product, and how it is managed.

## 7. Systems Management

- a) Describe your recommended method and tools to achieve parallel development and testing of concurrent releases.
- b) Specify what software distribution requirements/products your product needs for remote issue resolution.
- c) Describe the recommended backup and recovery process for your product.
- d) Describe your standard integration process for systems management tools, and the tools that your product best integrates with. As part of your proposal, include real-time management (availability, performance and utilization), event management, job scheduling and capacity management.
- e) Generally describe the disaster recovery capabilities of the product.

## D. PROJECT MANAGEMENT STRATEGY

### 1. Project Approach

- a) Given your understanding of the project, describe the overall approach you would take, including phases, major milestones and deliverables along with the scope of your proposed project management services. (ie. Does your project management approach include any or all the following aspects of the project; integration with other software, data migration, and reporting?)
- b) Describe Vendor's expectation of Pool's staffing requirements for successful implementation of the product (both business and IT).

### 2. Service Level Agreements (SLAs)

- a) Describe any aspects of your service offering during implementation and post-implementation that is subject to service level agreements. Describe what those service levels are.
- b) Identify the types of SLAs within your organization, who is responsible for monitoring, maintaining and enforcing the standard SLAs (customer-based, service-based, and operational). Include definitions of measurement standards and methods, reporting process, contents and frequency of each service-level type.

### 3. Project Metrics

- a) Describe any financial or other metrics you feel appropriate to monitor during the project to ensure it is on track, and describe how such metrics will be monitored, evaluated and reacted to.

## V. PRICE

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This section shall include a description of the proposed costs and prices. All pricing information shall be limited solely to this section of your proposal. This section should address all requirements set forth in this RFP, as well as any other items pertinent to your proposal pricing. The requirements have been developed to allow SDPAA to uniformly evaluate prices submitted for the work. Accordingly, you should follow these instructions carefully and provide all data requested in the formats specified herein and in any referenced attachments.

Any omissions in this proposal shall be identified by each Vendor and incorporated into their proposal, including any omissions for software, hardware, support, etc. which is necessary to the success of the project. SDPAA will not increase the contract or any purchase order (either dollar amount or time) for items not included in the submitted proposal documents. The SDPAA reserves the right to purchase part or the entire proposal.

## A. PRICING INFORMATION

### 1. Cost Considerations

- a) Product license fees. Indicate how pricing is derived for your proposed solution, including license fee type (perpetual, term, per seat, per CPU, contribution-based, other) and provide your best estimate of anticipated license fees given SDPAA's profile.
- b) Ancillary software. Please describe all software required to implement your solution, including operating systems, database management systems, middleware or other required third-party software.
- c) Hardware requirements. Describe all hardware required to implement your solution, including type and number of servers, server specifications, storage requirements (given SDPAA's profile), connectivity appliances or other hardware required given your recommended system configuration.
- d) Training. describe the approximate cost and duration of training required for utilization of SDPAA's staff on project teams, including IT staff to be used during implementation.
- e) User acceptance testing.
- f) Post-implementation user orientation.
- g) Itemized implementation and maintenance for Year 1 and Years 2-5.

Provide all required hardware, software, licensing, deliverables, project management, system analysis and design, training and knowledge transfer, required interfaces, system testing and tuning, documentation, data conversion, customizations, and other professional services required to fully implement a pool management information system with modules for underwriting and rating, exposure analysis, member portal, reporting, document management, loss control and reporting as specified in this RFP.

Pricing offered shall include one (1) year of software and hardware maintenance and support to include all updates, fixes, and patches.

TOTAL IMPLEMENTED COST = \$

### 2. Ongoing maintenance for Years 2-5

Provide Years #2-5 Software and Hardware Maintenance, Update, and Support Costs for your system as offered in 1. Cost Considerations.

Maintenance and Support provided in Years #2-5 shall be the same as Maintenance and Support provided during Year #1 (Warranty Period).	Maintenance and Support Costs
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Total Software Maintenance Cost for Year #2 including all updates.	\$
Total Software Maintenance Cost for Year #3 including all updates.	\$
Total Software Maintenance Cost for Year #4 including all updates.	\$
Total Software Maintenance Cost for Year #5 including all updates.	\$

3. Professional Services

Describe the approximate cost and duration of all recommended professional services required to implement your proposed solution, including project management, configuration, customization, data migration, testing or other resources you propose to provide. Provide a roster of resource types expected for the project (programmer, business analyst, database architect, etc.) and their hourly, per diem or other fees. (The table below is provided as an example.)

Resource	Estimated Duration (Hrs)	Rate
Program manager		\$x per hour
Project manager		\$x per hour
Business analyst		\$x per hour
Senior developer		\$x per hour
Junior developer		\$x per hour
Systems architect		\$x per hour
Other		\$x per hour

4. Support and Maintenance

Describe the types of support and maintenance packages you offer and the approximate cost of services for post-implementation support and maintenance.

5. Contingency Pricing

How would license fees be impacted, if at all, by significant changes in member contributions (i.e., written contribution), member counts or other parameters?

**B. CHANGES**

SDPAA will not consider change orders or amendments unless it is deemed a change in the original scope of the project. All items not itemized in the pricing above which are instrumental to completing the project will be at the cost of the Vendor to supply at no additional charge to SDPAA.

**VI. GENERAL INSTRUCTIONS**

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**A. ORAL COMMUNICATIONS**



Any oral communication by the SDPAA's Contact Person or designee concerning this RFP is not binding and shall in no way modify the RFP or the obligations of the SDPAA, a proposer or selected firm(s).

## **B. CHANGES TO RFP**

If it is necessary to make material changes to the RFP, the SDPAA will e-mail written RFP addenda to all recipients of record of the original RFP and post such addenda on the SDPAA's website ([www.sdpaaonline.org](http://www.sdpaaonline.org)). Recipients of record are those parties to whom the SDPAA directly sent a copy of the RFP. Responses to written questions received by the specified deadline will be incorporated in an RFP addendum.

## **C. EXCEPTIONS / DEVIATIONS**

Any exceptions to or deviations from the requirements set forth in this RFP must be declared in a separate element of the submitted proposal under the heading "Exceptions and Deviations."

## **D. AUTHORIZATION TO DO BUSINESS**

Proposers must be authorized to do business in the State of South Dakota and in the local jurisdiction in which they are located or where the work will be performed.

Per South Dakota Senate Bill 189, the SDPAA is restricted from contracting with the People's Republic of China, the Republic of Cuba, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Russian Federation and the Bolivarian Republic of Venezuela.

## **E. PRE-CONTRACTUAL EXPENSES**

The SDPAA shall not be liable for pre-contractual expenses incurred by a proposer in the preparation of its proposal and proposers shall not include any such expenses in their offers.

Pre-contractual expenses are defined as expenses incurred by the proposer to: (1) prepare and submit its proposal to the SDPAA; (2) negotiate with the SDPAA on any matters related to this RFP; and (3) any other expenses incurred by a proposer prior to the date of award, if any.

Issuance of this RFP and receipt of proposals does not commit the SDPAA to award a contract. The SDPAA reserves the right to postpone the award for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one proposer simultaneously, or to cancel all or part of this RFP.

## **F. WITHDRAWAL; PROPOSAL IRREVOCABLE FOR 90 DAYS**

A proposer may withdraw its proposal at any time prior to the submittal deadline by sending the SDPAA a request in writing from the same person who signed the submitted proposal. As of the deadline for submittal, any proposal received by the SDPAA and not withdrawn becomes an irrevocable offer available for acceptance by the SDPAA immediately and for 90 days thereafter. Proposers are responsible for the accuracy of their proposals and no allowance will be made for errors or price increases that a proposer later alleges are retroactively applicable.

## **G. DISPOSITION OF PROPOSALS**

All materials submitted in response to this RFP become the property of the SDPAA, except for information identified by a proposer as being proprietary. A blanket statement that all contents of the proposal are proprietary will not be honored by the SDPAA. Please note that as a public entity, the SDPAA may be subject to South Dakota's public records laws, which may require the disclosure of information regarding proposals or a subsequent contract.

## H. IMMATERIAL DEFECTS IN PROPOSAL

The SDPAA may waive any immaterial deviation or defect in a proposal. The SDPAA's waiver shall in no way modify the RFP documents or excuse a proposer from full compliance with the RFP if awarded the contract.

## I. WRITTEN AGREEMENT

The proposer selected for contract award through this RFP shall be required to enter into a written agreement with the SDPAA governing the provision of professional services to the SDPAA Members and other eligible entities. The agreement will include pertinent terms and conditions set forth in this RFP and will reflect the proposer's offer or the outcome of contract negotiations. The agreement will also include, to the extent applicable, the provisions described in Appendix B and any terms or conditions added by addendum.

If it is necessary that the proposer enter into separate agreements with subcontractors to fulfill the terms of this contract, the SDPAA will not be a party to those separate agreements, nor in any fashion a guarantor or indemnitor of them. The SDPAA expects to be made aware of any staff who will be involved in the implementation process.

## J. TERM OF CONTRACT

If a contract is awarded through this RFP, it will be effective upon full execution of the agreement, which the SDPAA expects to be on or about December 6, 2024. No agreement with the SDPAA shall be in effect until a contract has been approved by the SDPAA Board of Directors or designee and has been signed by both parties.

## K. NEWS RELEASES

News releases pertaining to any award resulting from this RFP may not be issued without the prior written approval of the SDPAA.

## VII. PROPOSAL FORMAT AND CONTENT

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The proposal submitted in response to this RFP must contain the information required in Sections A through F below. Brevity is preferred. For responses to any question or statement, please precede your answers with a restatement of the question. If you intend to use any subcontractors in fulfillment of services, information should be furnished for both your firm and the subcontractors where appropriate.

The proposal must be submitted in electronic form in an email to the Contact Person above.

Submitting general marketing materials about your firm in lieu of providing specific answers to questions will not be acceptable. If you wish to submit marketing materials, you should do so as a separate addendum rather than as part of the formal response.

## A. COVER LETTER

All proposals must include a cover letter addressed to the Contact Person in Section I., C above. At a minimum, the cover letter must contain the following:

- Identification of the proposer, including business name, address, and telephone number.
- Name, title, address, telephone number, and e-mail address of a contact person during the period of proposal evaluation.
- Acknowledgment of RFP addenda received, if any.

- A statement that the proposal shall remain valid for a period of not fewer than 90 days from the due date for proposals.
- Any exceptions to any specified criteria in this RFP.
- Identification of any information contained in the proposal which the proposer deems to be confidential or proprietary and wishes to be withheld from disclosure. A blanket statement that all contents of the proposal are confidential or proprietary will not be honored by the SDPAA.
- Signature of a person authorized to bind the offering firm to the terms of the proposal.

## **B. QUALIFICATIONS, RELATED EXPERIENCES AND REFERENCES**

Furnish background information about your firm, including date of founding, legal form (i.e., sole proprietorship, partnership, LLC, corporation/state of incorporation), number and location of offices, principal lines of business, number of employees, days/hours of operation and other pertinent data. Disclose any conditions (e.g., bankruptcy or other financial problems, pending litigation, planned office closures, impending merger) that may affect your ability to perform contractually. Certify that the firm is not debarred, suspended or otherwise declared ineligible to contract by any federal, state, or local public agency.

1. Describe your firm's experience and qualifications for providing the required services to the SDPAA. Specifically highlight those qualifications that distinguish you from your competitors. The focus should be on recent experience within the last 5 years that is relevant to the IV. Requirements as outlined in this RFP.
2. Provide a sample of the proposed reporting format, including the proposed format for electronic reporting.
3. Describe any functions which your proposal contemplates will be performed by SDPAA staff.
4. Describe in general terms the staff you'd anticipate assigning to this project and where those staff would be based.

## **C. STAFFING AND PROJECT ORGANIZATION**

Identify the key personnel from your firm who would be assigned to this project. Include a brief description of the number of years with your firm, qualifications, professional certifications, job functions, current caseload, and office location(s). Designate an Engagement Manager who would be ultimately responsible for the relationship and a Project Manager who would provide day-to-day direction of the required work. Furnish brief resumes (not more than two pages long) for all key personnel; include these as an appendix, not in the body of the proposal.

If more than two people are assigned to the SDPAA's project, include a simple organization chart that clearly delineates communication and reporting relationships among the project staff.

## **D. WORK PLAN / TECHNICAL APPROACH**

1. Describe in detail what information, documents, staff assistance, facilities or other resources you would require from the SDPAA or its members to complete your work; declare any critical assumptions upon which your work plan is based.
2. Describe succinctly how your firm would accomplish the work and satisfy the SDPAA's objectives described in this RFP. If appropriate, divide the work into segments or tasks to represent milestones for measuring progress.
3. Describe the work products and other deliverables you would provide to the SDPAA and our members. State the purposes for which the work products could be used and any limitations your firm would impose on their usage.

## **E. COST SCHEDULE**

The Proposer's cost schedule must be submitted with the proposal.

All costs are to be contained in this schedule. For each service element, include a cost and state a grand total for all service elements. Include any applicable fees, such as administration fees.

The schedule should also include the method used to charge for any special requests, reports, or broadening of the scope of the work beyond that described in this RFP, including the methodology for extension of rates in subsequent contract years.

This section must also include payment terms required for services rendered and a preferred schedule of billing dates.

The fee is by structure. You may submit an alternative fee option, but a fee schedule by structure is required.

## F. SAMPLE CONTRACT

Submit a sample of your standard agreement for services with your response. Required provisions for the agreement are described in [Appendix B](#) below.

## VIII. APPENDIX A

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### A. SDPAA PROFILE

SDPAA utilizes TPAs for claims administration, loss control audits, and property valuations. The solution must be able to integrate and allow specified users from our providers access, as stated by SDPAA.

#### 1. SDPAA System Users

- a) System Admin<sup>(1)</sup> Users – 2
- b) Active<sup>(2)</sup> Users – 5
- c) Passive<sup>(3)</sup> Users – 5

- *System Admin users are the ultimate power users. They can change all settings in the PMIS. There would likely be only one of these (or a very small number).*
- *Active users can view and author most anything except for overall system settings that the System Admin can change. These are typically managers and others that need to make decisions-based reports and data extracted from system.*
- *Passive users are the lightest type of user and typically have view only privileges (rather than authoring privileges).*

#### 2. System Interfaces

- a) Claims – RISKMASTER
- b) Finance – QuickBooks and Sage
- c) Underwriting – LARS (Microsoft Access), Excel
- d) Loss Control – PDF, Word

#### 3. Claims

- a) Property + Liability Coverages = estimated 5 claim files per day
- b) Feed from Claims Associates (RISKMASTER) to PMIS daily

#### 4. Pool Membership

- a) Total Membership – 483

- b) Breakdown:
  - i. General Liability – 483
  - ii. Automobile Liability – 305
  - iii. Law Enforcement Liability – 113
  - iv. Property – 361
  - v. Auto Physical Damage - 280
  - vi. Boiler & Equipment – 253

## **IX. APPENDIX B – SDPAA CONTRACT CONSIDERATIONS**

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SDPAA contracts will be subject to the following standards. These are not exclusive and other contract clauses and provisions will obviously be applicable as well. However, these are areas respondents to the SDPAA’s RFPs should be aware of in considering and preparing responses.

### **A. MANDATORY PROVISIONS**

#### **1. Indemnity Provision**

There shall be no provision requiring the SDPAA to indemnify contractor for contractor’s acts or omissions. Indemnity provisions should be mutual and reciprocal. Our standard indemnity clause is as follows:

**Contractor agrees to hold harmless, indemnify, and defend SDPAA, and its officers and employees from and against all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature resulting from, arising out of, or related to the acts or omissions of Contractor or its officers, employees, subcontractors, or agents in performance of services pursuant to this Contract. SDPAA agrees to hold harmless, indemnify, and defend Contractor and its officers and employees from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature resulting from, arising out of, or related to the acts or omissions of SDPAA or its officers, employees, subcontractors, or agents pursuant to this Contract.**

### **B. INDEPENDENT CONTRACTOR STATUS**

The following shall be included in SDPAA contracts:

**Contractor shall perform the required services as an independent contractor and not as an “officer, employee, or agent” of SDPAA. Although SDPAA reserves the right to evaluate the quality of the service provided by Contractor, the SDPAA will not control the means or manner of Contractor’s performance.**

### **C. GOVERNING LAW AND VENUE**

SDPAA contracts shall be subject to the laws of South Dakota and jurisdiction and venue for any disputes arising out of the contractual relationship will be South Dakota. The contract shall include the following clause or the substantial equivalent:

**This contract shall be governed by the laws of the State of South Dakota without regard to principles of conflicts of law. Any claim, action, suit or proceeding between the SDPAA and Contractor arising from or related to this contract shall be brought and conducted in the Circuit Court of Hughes County for the State of South Dakota; provided, however, if a claim must be brought in a federal forum, then it shall be brought in the U.S. District Court for the State of South Dakota.**

## D. INSURANCE

Except under special circumstances, and with the approval and consent of the SDPAA Executive Director, the following minimum insurance provisions shall be specified in the contract:

During the term of this contract, Contractor shall maintain in force insurance coverage compliant with the requirements listed below:

1. Workers' Compensation in compliance with statutory requirements.
2. Comprehensive General Liability insurance applicable to the services provided to the SDPAA, with a combined single limit, or the equivalent, of not less than \$2,000,000 each occurrence for Bodily Injury, Personal Injury, and Property Damage, including contractual liability coverage applicable to the indemnity provided under this contract.
3. Automobile Liability insurance applicable to the operation of Contractor's trucks or automobiles with a combined single limit of not less than \$1,000,000 each accident for Bodily Injury and Property Damage, including coverage for owned, non-owned, and hired vehicles, as applicable.
4. Notice of Cancellation or Change. There shall be no cancellation, material change, reduction of limits without 30 days prior written notice from the Contractor or its insurer(s) to the SDPAA.
5. Certificates of Insurance. As evidence of the insurance coverages required by this contract, the Contractor shall provide acceptable insurance certificates to the SDPAA as soon as practicable upon written request by the SDPAA. If requested, complete copies of insurance policies, shall be provided to the SDPAA.

## E. OTHER CONTRACT CONSIDERATIONS

1. Limitations on Liability and Warranties. Responses to RFP's should include a description of any limitations on liability to either SDPAA or purported third party liability limitations contractor would propose to include in a contract with the SDPAA. These provisions are disfavored and will be a consideration in our review and comparison of RFP responses.
2. Termination. While termination provisions are negotiable, any provision that would not permit the SDPAA to terminate the contract with a reasonable notice period, without further obligation, would be strongly disfavored and allowed only with the consent of the Executive Director. Our preferred termination provision is as follows:
  - a) This contract may be terminated at any time by mutual written consent of the Parties.
  - b) SDPAA may, at its sole discretion, terminate this contract, in whole or in part, upon thirty (30) days written notice to Contractor. In the event of such a termination, the SDPAA agrees to pay Contractor the fees and expenses reasonably incurred prior to such termination.
  - c) SDPAA may terminate this contract immediately upon notice to Contractor, or at such later date as SDPAA may establish in such notice, if Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this contract, or fails to perform in a timely manner the services under this contract, and such breach, default, or failure is not cured within ten (10) business days after deliver of SDPAA's notice, or such longer period as SDPAA may specify in such notice.

- d) Contractor may terminate this contract upon ten (10) days' written notice to SDPAA if SDPAA fails to pay Contractor pursuant to the terms of this contract and SDPAA fails to cure within thirty (30) days after receipt of Contractor's written notice, or such longer period as Contractor may specify in such notice.

## **F. DISPUTE RESOLUTION**

Mandatory arbitration provisions are disfavored. Our position is that alternative dispute resolution is encouraged, but arbitration should be undertaken only when both parties agree to it at the time of the dispute. If arbitration is undertaken, we would not consent to the rules and procedures of the American Arbitration Association. Other standard rules are available, or the parties can simply agree to rules and procedures as they deem appropriate. Provisions requiring mediation as a precedent to other legal action are acceptable.