ITB No. 21-84131512-ITB
EDPE
Attachment E
Scope of Work (SOW)

1. Department Insurance Program

The State of Florida has statutorily established the following two methods for state agencies and other governmental entities to obtain insurance coverage: (1) from the State Risk Management Trust Fund (SRMTF) administered by the Department of Financial Services, Division of Risk Management, for property, general liability, automotive liability, federal civil rights, court-awarded attorney's fees in certain other proceedings against the state, and workers compensation, as established by Chapter 284, Florida Statutes; and (2) from commercial insurance purchased by the Division of State Purchasing pursuant to sections 287.022 and 287.042, Florida Statutes, as further specified in Rule 60A-1.015, Florida Administrative Code, for risks not eligible for coverage through the SRMTF.

Subsection 287.022(1), Florida Statutes, provides:

> Insurance, while not a commodity, nevertheless shall be purchased for all agencies by the department, except that agencies may purchase title insurance for land acquisition and may make emergency purchases of insurance pursuant to s. 287.057(3)(a), Florida Statutes. The procedures for purchasing insurance, whether the purchase is made by the department or by the agencies, shall be the same as those set forth herein for the purchase of commodities.

State Purchasing operates the Department's Insurance Program, which is responsible for the purchase and management of insurance for executive branch agencies and eligible users, at their own choosing and based upon funding allocations.

The purpose and goal of the Department's Insurance Program is to provide coverage at the best rates possible for Florida's state agencies

2. Purpose

The Contractor shall market and secure an Insurance Policy on behalf of the State of Florida and the current Named Insureds that shall, at a minimum, include coverage that is the same or better coverage set forth in ITB Attachment D, Expiring Policy, incorporated herein by reference, and the coverage set forth in section 5, Coverage Requirements.

The Insurance Policy secured on behalf of the State of Florida and the Named Insureds shall be provided at the pricing specified in the Broker's submitted Price Sheet, provided in accordance with Florida Statutes, and conform with the terms and conditions specified in the Contract.

3. Definitions

Definitions contained in section 287.012, Florida Statutes (F.S.); and Rule 60A-1.001, Florida Administrative Code (F.A.C.); are incorporated by reference. In the event of a conflict, the definitions listed in this section supersede the incorporated definitions for the purposes of this document. All definitions apply in both their singular and plural sense.

Broker – An insurance intermediary that holds current and valid Florida resident or nonresident insurance license(s) in the appropriate line of business described in this SOW.

Business Day – Monday through Friday, inclusive, except for those holidays specified in section 110.117, F.S., from 8:00 a.m. to 5:00 p.m. Eastern Time.

Claim – A demand for recovery for loss or damages resulting from a covered cause of loss.

Contract – The written agreement between the Department and the awarded Bidder resulting from ITB No. 21-84131512-ITB.

Contractor – The Broker that is awarded a Contract resulting from ITB No. 21-84131512-ITB.

Customer – A Named Insured included in the Insurance Policy.

Department – The Department of Management Services, a State agency.

Electronic Data Processing Equipment (EDPE) – Property including but not limited to: laptops, desktops, and other such data processing systems; electronic systems consisting of separately identifiable and removable component memory or control boxes that are attached to and control production machinery, but not the production machinery itself, and; equipment, component parts and related peripheral equipment, including air conditioning and fire protective equipment, used solely for data processing operations, in the care, custody and control of the Named Insured.

Insurance Policy or Policy – The contract for insurance that the Broker must provide to the Department on behalf of the Named Insured. The parties to the Insurance Policy will be the Department, the Named Insured, the Broker, and the Insurer.

Insurer – The insurance company selected by the Broker to provide insurance coverage described in this SOW. The term 'Underwriter' is synonymous with 'Insurer'.

Medical and Science ("M&S" or "Med-Sci") Equipment – Property used for scientific and medical research or equipment used for medical diagnosis, in the care, custody, and control of the Named Insured.

Media – Property including, but not limited to, disk drives, disks, magnetic tapes, and other property on which data is stored.

Named Insured – Those entities listed in Section 4, Named Insured, and those added during the Policy Period.

Policy Inception – The effective date of the Insurance Policy.

Policy Period – The time between the exact hour and date of Policy Inception and the hour and date of expiration.

Premium – Has the same meaning as defined in section 627.403, F.S.

State – The State of Florida.

Total Insured Value (TIV) – The total insured value of all EDPE and M&S Equipment owned or leased/rented/borrowed by Named Insureds at any moment in time on or after the Policy Inception.

4. Named Insured

The master policyholder is the State of Florida, c/o the Department of Management Services, Division of State Purchasing, 4050 Esplanade Way, Suite 360, Tallahassee, FL 32399-0950.

The following entities are the current Named Insureds for whom coverage is being sought:

AHCA	Agency for Health Care Administration
APD	Agency for Persons with Disabilities
DACS	Department of Agriculture and Consumer Services
DBPR	Department of Business and Professional Regulation
DC	Department of Corrections
DCF	Department of Children and Families
DEM	Department of Emergency Management
DFS	Department of Financial Services
DMS	Department of Management Services
DMS-DOR	Department of Management Services – Division of Retirement
DMS-DS	Department of Management Services- Digital Services
DOEA	Department of Elder Affairs
DOH	Department of Health
DOS	Department of State
DOT	Department of Transportation
FAMU	Florida Agricultural and Mechanical University
FGCU	Florida Gulf Coast University
FIU	Florida International University
FPU	Florida Polytechnical University
FSDB	Florida School for the Deaf and Blind
FSU	Florida State University
JAC	Justice Administrative Commission
NCF	New College of Florida
OL-1	Office of the Legislature - Auditor General
OL-2	Office of the Legislature - Economic and Demographic Research

OL-3	Office of the Legislature - House of Representatives
OL-5	Office of the Legislature - Office of Legislative Services
OL-6	Office of the Legislature - Office of Program Policy Analysis and Government Accountability
OL-7	Office of the Legislature - Senate
PSC	Public Service Commission
SBA	State Board of Administration
SCS	Office of the State Courts Administrator
UCF	University of Central Florida
UF	University of Florida
UNF	University of North Florida
USF	University of South Florida
USF-BYRD	University of South Florida – BYRD Alzheimer's Institute
USF-CAMLS	University of South Florida – Center for Advanced Medical Learning and Simulation (CAMLS)
UWF	University of West Florida

NOTE: Named Insured may be requested to be added or removed during the Policy Period as outlined in ITB 21-84131512-ITB.

5. Coverage Requirements

Insurance Policy coverage procured through this solicitation shall be the same or better as provided in ITB Attachment D, Expiring Policy.

Coverage shall be provided for the Named Insureds' owned and/or leased/rented/borrowed ("Leased") EDPE or M&S Equipment in the care, custody, and control of the Named Insured.

6. Insuring Agreements, Policy Limits, and Deductibles

Current policy limits and deductibles are provided in ITB Attachment D, Expiring Policy, and are summarized below.

6.1. Locations of Covered Property

Locations of the Named Insured vary throughout the State of Florida. The EDPE and M&S Equipment coverage schedule will be modified by the State throughout the policy period as values vary between each Named Insured throughout the policy term, but the Named Insured remain responsible for any Premium payment assessed while participating in the policy coverage.

6.2 Limits and Values

6.2.1 The current policy limits and values are summarized in part below. For requested coverage and updated exposures, refer to ITB Attachment D, Expiring Policy. Contractor's

deductibles must not exceed the amounts listed in this section, except as contemplated in Section 7.1.

Deductibles	
$500	Per occurrence for Claims less than $10,000
$2,500	Per occurrence for Claims greater than or equal to $10,000
$100,000	Per occurrence Wind (Leased equipment only)

6.2.2 The quarterly policy values for the last three quarters are provided below. Limits may require to be increased throughout the Policy Period as Named Insureds add EDPE and/or M&S Equipment.

Type of Equipment	4th Quarter Values as of 6/5/20	1st Quarter Values as of 09/05/20	2nd Quarter Values as of 12/5/20
EDPE Owned	$259,049,053.66	$291,669,398.14	$ 282,997,509.82
EDPE Leased	$12,061,798.64	$15,029,559.35	$13,518,883.34
MED- SCI Owned	$5,104,308.46	$5,162,148.84	$37,108,946.42
MED- SCI Leased	$7,648,796.99	$7,846,086.99	$10,340,567.60

Refer to Attachment J, Historical and Loss Information, for Named Insured Values as of February 5, 2021.

6.3 Owned EDPE, MED-SCI Equipment & Media

Owned EDPE and M&S Equipment shall be insured on a difference in coverage / difference in limits to eliminate duplicate coverages provided by the State Risk Management Trust Fund Property Coverage. Refer to Attachment K, DFS-D0-852, Certificate of Property Coverage, for loss payment information.

Named Insured owned EDPE & M&S Equipment shall be insured for all risks, excluding those perils insured by the State Risk Management Trust Fund, at replacement cost value minus the assigned deductible.

6.4 Leased EDPE, MED- SCI Equipment & Media

Named insured leased, rented, or borrowed EDPE and M&S Equipment shall be insured for all risks at replacement cost value minus the assigned deductible. Refer to Attachment D, Expiring Policy, for full coverage details.

6.5 Insurance Policy Rates.

All rates are to be per $100 of insured value and shall remain fixed for the full Policy term. Rate de-escalation is permissible at any time during the Contract term. Rates for Policy Periods 2, 3 and 4, if bid, will be as described in Contract Exhibit E, Broker's submitted Price Sheet.

6.5.1 Current Rates

Type of Equipment	Annual Rate
EDPE Owned	.0400
EDPE Leased	.3300
M&S Equipment Owned	.0400
M&S Equipment Leased	.3300
EDPE Owned- UCF IT Division	.0350

7. Premium Pricing

The Contractor shall adhere to the prices listed in the Price Sheet submitted in its Bid, which are incorporated by reference into the Contract. All coverage rates and premiums assessed at Policy inception are to be fixed for the full Policy period.

7.1 Premium and Deductible Adjustments

Premium and deductible decreases issued by the Contractor are permissible at any time during the initial Policy Period and any additional Policy Periods.

For additional Policy Periods, the Broker should have identified in its Insurer quotation the % loss ratio threshold which, if met or exceeded by the Named Insured during any Policy Period, will prompt the Insurer to reevaluate premium and/or deductible pricing for the next Policy Period. Any reevaluation of premiums and/or deductibles are subject to DMS written approval, must be adjusted equitably, and shall be based upon specific exposure risks and individual loss experience, to the extent market conditions allow. If Contractor anticipates adjustments to premium pricing, deductibles, or policy terms and conditions, Contractor shall provide the Department with written notice four (4) months prior to the Policy Period expiration to the Department's Contract Manager

Notwithstanding Paragraph II of the Contract and Section 6.9 of Contract Exhibit B, Special Contract Conditions, adjustments in premiums and/or deductibles do not constitute a change to the Contract requiring an amendment executed by both Parties. After the Department provides written approval of any premium and/or deductible adjustments, the Department will incorporate such changes directly into the Contract documents.

8. Broker /Underwriter Responsibilities

The Broker will market and secure an EDPE and M&S Equipment insurance policy on behalf of the State of Florida and the Named Insureds, c/o the Department of Management Services, Division of State Purchasing, 4050 Esplanade Way, Suite 360, Tallahassee, FL 32399-0950.

8.1 Customer Service and Administration

The Contractor shall provide Customers all services during Business Days. State agencies observe holidays in accordance with section 110.117, Florida Statutes.

The Contractor shall have a single point of contact to serve as Contract Manager as listed in the Contract. The Contract Manager may support multiple Customers and must respond to Customer calls and/or emails within one (1) Business Day. The Contract Manager must be able to provide or arrange for all aspects of Customer support and problem resolutions. Back-up coverage must be provided by an equally knowledgeable person.

In addition to a dedicated Contract Manager, the Contractor shall provide toll-free Customer service phone support from 8:00 a.m. Eastern Time to 5:00 p.m. Eastern Time, Monday through Friday, except for National and State-recognized holidays. Telecommunication Device for the Deaf (TDD) access must be made available during the above-named Customer service operating hours.

8.2 Policy Administration

The Broker must aide in the fulfillment of all obligations to the Department and its Named Insureds as provided for under the Insurance Policy issued for the Contract. The Broker will, at a minimum: communicate with the Insurer on all changes to the policy requested by the Department; provide endorsements for changes to the Policy schedule; forward premium payments to the Insurer, as appropriate; and assist in the filing of claims and claim settlement payments. Any failure by the Broker to provide policy administration to the Department will constitute a breach of Contract.

8.3 Routine Communications

All routine communications and reports related to the Contract shall be sent to the Department's Contract Manager. If any information listed for the Contract Manager changes during the life of the Contract, then the Contractor shall update the attachments and submit to the Department's Contract Manager. Routine communications may be by e-mail, regular mail, or telephone.

8.4 Broker License

The Broker, for the duration of the Contract term, must hold current and valid Florida resident or non-resident insurance license in the appropriate line of business for the insurance coverage provided under the Contract.

8.5 Insurance Policy Conditions

After award, the Contractor must provide the Department an original and complete copy of the Insurance Policy, including declarations, insuring agreements, conditions, exclusions, schedule of coverage, and all necessary endorsements at policy inception, or an insurance binder until such Insurance Policy is received. The Insurance Policy must include a manuscript endorsement, must conform to the requirements stated in the ITB,

and may not take exception to terms in the ITB. Failure to submit a complete Insurance Policy will constitute sufficient grounds for termination.

The Insurance Policy must conform to the following coverage conditions:

8.5.1 The entire coverage is to be written under one policy whenever possible.
8.5.2 Coverage must include, at a minimum, the coverage outlined in this SOW and the expiring policy; however, broader coverage may be offered. Refer to ITB Attachment D, Expiring Policy.
8.5.3 The applicable Insurance Policy limits may require increase during the Policy Period.
8.5.4 The Insurance Policy shall include coverage for the Named Insureds owned or leased/rented/borrowed property in the care, custody and control of each Named Insured.
8.5.5 The territory for the policies will be unrestricted and all claims originated in foreign countries will be filed and settled in the United States.
8.5.6 The Insurer may be requested to work with the Department relating to loss prevention and loss control issues.

8.6 Underwriting Information
The Department will coordinate all coverage requests on behalf of the Named Insureds.

8.7 Invoices for Insurance Premiums
In addition to the terms in Special Contract Conditions subsection 3.3, Payment Invoicing, the following applies to Contractor invoicing:

8.7.1 Premiums will be invoiced annually at Policy Inception for the Named Insured.
8.7.2 Invoices are to contain enough detail for pre- and post-audit. Invoices must include an invoice number, the insurance company name, Federal Employer Identification Number, the policy number, effective dates of coverage, a description of the coverage, payment due date, and a remittance address.
8.7.3 Invoices are to be issued in the name of the Named Insured and must be provided in writing to the Named Insured and to the Department's Contract Manager.
8.7.4 The Department’s Contract Manager may, but is not obligated to, assist the Broker in securing these payments to the best of its ability.

8.8 Additions/Deletions
The Department reserves the right to request additions to or deletions from existing coverages or exposures stated in the Insurance Policy on behalf of the Named Insured when deemed to be in the State's best interest. All requests for additions to or deletions from coverage will be made by the Department.

8.9 Claims Settlement
Claims must be submitted by the Named Insured to the Broker as outlined in the Insurance Policy that results from this Contract. The Broker or Underwriter must notify the

Department in writing at the time the Claim is submitted by a Named Insured during the Policy Period. The Broker must coordinate with the Named Insured filing the Claim on any details required by the Broker to ensure proper settlement.

The Broker is to track all Claims submitted and identify which Named Insured filed the Claim. Any settlement checks must be issued in the name of the Named Insured that filed the Claim, c/o State of Florida - Department of Management Services. Settlement checks are to include policy name and number; the Named Insured who filed the Claim; date of loss; total Claim filed, deductible, check number, and check amount.

The Broker will provide Claim settlement checks directly to the Named Insured filing the Claim whenever possible, and the Broker will provide a copy of the settlement check to the Department's Contract Manager.

8.10 Historical Premium and Loss Information

The Broker must submit a Claim and loss summary report annually to the Department's Contract Manager. The Department reserves the right to request loss runs at any time during the Policy Period, and the Broker shall comply with such requests. The historical and loss information for the past five years is included in ITB Attachment J, Historical and Loss Information. This information is for informational purposes only and should not be construed as representing actual losses under a new Contract.

8.11 Broker Commission

The Broker will comply with section 287.022, Florida Statutes, which requires an insurer or agent that pays a commission or any portion thereof to any person, on insurance purchased by the Department, to report such payment to the Department in writing and under oath within 30 days thereafter.

8.12 Independent Broker

The Broker and its employees, agents, representatives, and subcontractors are not employees or agents of the Department and are not entitled to the benefits of State employees. The Department will not be bound by any acts or conduct of the Broker or its employees, agents, representatives, or subcontractors. The Broker agrees to include this provision in all of its subcontracts under the Contract.

8.13 Insurer Serviceability

The Broker will notify the Department's Contract Manager of any concerns regarding the ability to provide ongoing services, claims settlement, or any diminished actions including, but not limited to, the reduction in the financial rating of the Insurer providing coverage subsequent to Contract award. Failure to notify the Department of concerns may, at the Department's option, result in termination of the Insurance Policy.

8.14 Insurance Policy Cancellation

In addition to the requirements of Special Contract Conditions subsection 3.9, Return of Funds, the following applies to cancellation of the Insurance Policy:

All cancellations must be calculated on a pro-rata basis and must adhere to the requirements of Florida law. For the purpose of this clause, pro-rata means, in the case of cancellation of an insurance policy, the return of the Premium for the unexpired term of the Insurance Policy, without penalty for interim cancellation. The Department reserves the right to cancel the Insurance Policy at any time by providing written notice to the Broker. Such cancellation request will be mailed to the Broker's Contract Manager. Cancellation notices from the Insurer will be as provided for in the Insurance Policy and must be mailed to the Department's Contract Manager.

8.15 Quarterly Reporting Requirements

The Contractor shall coordinate with the Department on quarterly reporting issues. All Named Insured will report to the Department an insured value each quarter of the annual policy period.

The quarterly reports close on September 5, December 5, March 5, and June 5 of each policy period. The Contractor shall use this report to determine if any policy limits need to be increased as a result of quarterly reported Total Insured Values.

Individual Named Insured inventories will be provided by the Department upon request by the Contractor.

8.16 Post Policy Premium Audit

The Contractor or Underwriter will conduct an annual post Policy Premium audit. The audit will consist of an evaluation of the Department reported annual values and the initial Premiums paid by each Named Insured versus the quarterly reported values provided by the Department and the associated earned Premiums over the policy period.

For the Named Insured whose quarterly reported values provided by the Department are greater than that declared at inception of the Policy, the earned Premiums would exceed the initial Premium paid by that Named Insured. In these cases, the Contractor will issue an audit invoice to each Named Insured owing an additional Premium for coverage provided during the audited Policy Period and provide the audit invoice to the Department.

For the Named Insured whose quarterly values provided by the Department are less than that declared at the inception of the Policy, the earned Premium will be less than what was paid as an initial Premium, and that Named Insured will be due a refund for unused coverage. In these cases, the Contractor or Underwriter will issue an audit refund check in the name of each Named Insured due a refund and provide the audit refund checks to the Department.

Audit invoices shall include the appropriate Named Insured and shall be provided to the Department to review for accuracy. Audit refund checks shall be issued payable to the individual Named Insured and shall also be provided to the Department to review for accuracy. The Department will notate any audit invoice or audit refund check received in

the Contract file and forward the additional invoice or refund check directly to the appropriate Named Insured.

9. Payments

Payments by Named Insured shall be made in accordance with sections 215.422 and 287.0585, F.S.

10. Ad-hoc Report

The Department reserves the right to require additional information pertaining to the Contract.

11. Contract Transition

Upon Contract expiration or termination, the Contractor shall ensure a seamless transfer of Contract responsibilities with any subsequent broker/insurer necessary to transition the products and services of the Contract. The Contractor and subsequent broker/insurer assume all expenses related to the Contract transition.

12. Other Fees and Charges

The State requires additional assessments for specific insurance coverage types including, but not limited to, property and casualty insurance premiums except for those exempted by statute (workers' compensation, medical malpractice, and national flood insurance).

Brokers and/or Insurers shall not include surplus line tax fees in the cost of this coverage, in accordance with section 626.932(4), Florida Statutes.

Fees or charges not indicated on Attachment G, Price Sheet, unless provided by law, are prohibited.