

CONSENT ITEM

Actuarial and Underwriting Committee Meeting, December 6, 2016
Board of Governors Meeting, December 7, 2016

CONTRACT ID:	Agency Management System Download Contract No. 09-08-0034-00 Amendment #2 and Amendment #3 to the Contract RECOMMENDED VENDOR: APPLIED SYSTEMS, INC. (IVANS)
BUDGETED ITEM	Yes, funding is included in the Annual Operating Budget.
CONTRACT AMOUNT	\$160,000 (last Action Item approved on June 26, 2013)
CONTRACT TERM(S)	August 6, 2009 through June 1, 2017 (includes renewal option)
PURPOSE / SCOPE	<p>This Consent Item seeks approval from the Citizens Board of Governors to amend the existing contract as follows:</p> <ul style="list-style-type: none">• The Contract currently allows for transaction downloads directly from Citizens' systems into an agency's management system. This provides agents with increased productivity by minimizing the need to re-key information as well as reducing potential for errors. The service is currently limited to Personal Lines only.• Proposed Amendment #2 expands the service to include the following:<ul style="list-style-type: none">○ Direct Bill Commission Download: Monthly downloads directly to allow an agency the capability to reconcile commissions.• Proposed Amendment #3 expands the service to include the following:<ul style="list-style-type: none">○ Commercial Property Downloads.• The expanded services were added to the Contract in 2009 and 2013, but Citizens chose not to implement them at the time. Amendments #2 and #3 reinstate Citizens' option to add these services with updated pricing. The price for the expanded services will be \$31,389 for the first year and \$7,434 for subsequent years. The fees will be prorated if Citizens elects not to continue services after the Contract expiration date of June 1, 2017.
PROCUREMENT METHOD	An Invitation to Negotiate (ITN) 08-0034 was issued on December 2, 2008. Applied Systems Inc, (IVANS) was selected and awarded the contract. During Board of Governors' meeting on June 26, 2013, an Action Item was approved to increase the overall contract amount by \$75,000.
RECOMMENDATION	Citizens' Actuarial and Underwriting Committee and Citizens' Board of Governors are requested to review and approve the contract amendment.
CONTACTS	Steve Bitar, Chief of Underwriting and Agency Services