

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 (Action Item approved June 26, 2013)
CONTRACT TERM(S)	August 6, 2009 through June 1, 2017 (includes renewal option) Cost of expanded items: \$31,389 the first year / \$7, 434 for subsequent years.
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.• 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:<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 that time. Amendments #2 and #3 reinstate Citizens' option to add these services with updated pricing. The price for the expanded services will be <i>\$31,389 for the first year</i> and <i>\$7,434 for subsequent years</i>. The fees will be prorated if Citizens elects not to continue services after the contract expiration date of June 1, 2017.
PROCUREMENT METHOD	<p>An Invitation to Negotiate (ITN) 08-0034 was issued on December 2, 2008. Applied Systems Inc, (IVANS) was selected and awarded the contract.</p> <p>During the June 26, 2013 Board of Governors meeting, an Action Item was approved to increase the overall contract amount by \$75,000.</p>
RECOMMENDATION	<p>Citizens' staff recommends that Citizens' Board of Governors:</p> <ul style="list-style-type: none">a) Approve the contract amendments as set forth in this Agency Management System Download Consent Item; andb) Authorize staff to take any appropriate or necessary actions consistent with this Consent Item.
CONTACTS	Steve Bitar, Chief of Underwriting and Agency Services