

Memorandum

To: Operations and Finance Committee
From: Carl Carangelo, Chief Internal Auditor
Re: O&F Agenda Item Request/Approval
Option to Renew Agreement for Student Accident Insurance
Meeting Date: May 4, 2020
cc: Juanita Mazyck

Executive Summary:

Request for the first option to renew an agreement between the New Haven Board of Education and H.D. Segur Insurance, P.O. Box 400, 156 Knotter Dr., Cheshire, CT 06410 to provide student accident insurance coverage to New Haven Public Schools.

Effective Dates: July 1, 2020 to June 30, 2021

Amount of Agreement and Daily, Hourly, or Per Session Cost:

Total Cost of Policy is **\$58,062.00**

Funding Source: 2020-2021 Operating Budget
Account #: 190-430-56683

Key Questions:

1. Please describe how this service is strategically aligned with school or District goals:

This is necessary student accident insurance coverage for all New Haven Public School students.

2. Please describe the evidence of effectiveness for this contractor. In addition, how is or will the contractor be evaluated? If a continuation service, what are the results of last year's evaluation?

H.D. Segur was the only responder to our latest RFP. H.D. Segur is also the current underwriter for the City of New Haven. They have been very accommodating, assisting the NHBOE with its insurance matters.

3. Why do you believe this agreement is fiscally sound? Include how the contractor was selected (various quotes vs. RFP vs. Sole Source), whether and why the cost has increased over last year (if continuation), and what an alternative might cost.

H.D. Segur is being requested this year based on results of a 2019 RFP. The renewal premiums result in a continued savings of \$29,008.00 when compared to the previous 2018-2019 premiums.

**AGREEMENT
BY AND BETWEEN
THE NEW HAVEN BOARD OF EDUCATION
AND
H.D. SEGUR, INC.
FOR
STUDENT ACCIDENT INSURANCE**

PART I

This Agreement, consisting of Parts I and II, entered into this day of July, 2019, effective the 1st day of July 2019, by and between the New Haven Board of Education (hereinafter referred to as the "Board"), and H.D. Segur, Inc., with offices at 156 Knotter Drive, Cheshire, CT 06410 (hereinafter referred to as the "Contractor").

WITNESSETH THAT:

WHEREAS, the Board determined that it needed an agent to provide student accident and athletic insurance for New Haven public school students; and

WHEREAS the Contractor submitted a proposal dated April 30, 2019 in response to the RFP #2019-04-1274 and agreed to perform the services for the terms and conditions set forth therein; and

WHEREAS, funds for this agreement are available from account number #190-40100-56683, pursuant Purchase Order No. 91320004 FY 2020.

NOW, THEREFORE, the Board and the Contractor hereby agree as follows:

SECTION 1: ENGAGEMENT

101. The Board hereby engages the Contractor and the Contractor hereby agrees to perform the services set forth herein in accordance with the terms and conditions and for the consideration set forth herein.

102. The person in charge of administering the services described under this Agreement on behalf of the Board shall be Michael J. Pinto, Chief Operating Officer or such other person as he shall designate in writing.

103. The person responsible for the services to be performed by the contractor shall be Scott C. Sundberg, Vice President/Public Entity Division Manager or such other qualified person as is designated in writing by the Contractor and accepted by the Board.

104. The Contractor shall not subcontract any of the professional services to be performed by it under this Agreement, absent written approval by the Board.

SECTION 2: SCOPE OF SERVICES

201. In performing the services required under this Agreement, the Contractor shall consult and meet with internal auditors and such other Board employees or officials as may be necessary or appropriate.

202. The services to be performed by the Contractor shall consist of providing accident insurance coverage to New Haven pre-k through twelfth grade public school children, including early development students and interscholastic athletics and football, as more specifically set forth in Exhibit A, attached.

SECTION 3: INFORMATION TO BE FURNISHED TO THE CONTRACTOR

301. The Board will provide the Contractor with all documents, data, and other materials in its possession appropriate to the services to be performed hereunder, and will endeavor to secure materials or information from other sources requested by the Contractor for the purpose of carrying out services under this Agreement.

SECTION 4: TIME OF PERFORMANCE

401. The Contractor shall perform the services set forth in Section 2 of this Agreement at such times and in such sequence as may be directed by the Board.

402. This Agreement shall remain in effect until the services required hereunder are completed to the satisfaction of the Board, unless otherwise terminated by the parties hereto, but in any event shall terminate on June 30, 2020. If the Board remains satisfied with the performance of the Contractor it may, in its sole and exclusive discretion, renew this Agreement two additional one-year term in accordance with the provisions of the RFP.

SECTION 5: COMPENSATION

501. The Board shall compensate the Contractor for satisfactory performance of the services required under Section 2 of this Agreement for an amount not to exceed Fifty Eight Thousand Sixty Two Dollars and No Cents (\$58,062.00).

502. Compensation provided under this Section 5 constitutes full and complete payment for all costs assumed by the Contractor in performing this Agreement including but not limited to salaries; consultant fees; costs of materials and supplies; printing and reproduction; meetings, consultations, and presentations; travel expenses; postage; telephone; clerical expenses; and all similar expenses. No costs, direct or indirect, shall be reimbursed by the Board.

SECTION 6: TERMS AND CONDITIONS

601. This Agreement is subject to and incorporates the provisions attached hereto as City of New Haven Contract for Professional or Technical Services Part II, Terms and Conditions. In the event any provision of said Part II conflicts with any provision of this Part I of this Agreement, Part I shall be controlling.

602. This Agreement, its terms and conditions and any claims arising therefrom, shall be governed by Connecticut law. The Contractor shall comply with all applicable laws, ordinances, and codes of the State of Connecticut and the City of New Haven.

603. The parties agree that they waive a trial by jury as to any and all claims, causes of action or disputes arising out of this Agreement or services to be provided pursuant to this Agreement. Notwithstanding any such claim, dispute, or legal action, the Contractor shall continue to perform services under this Agreement in a timely manner, unless otherwise directed by the Board.

604. The Board and the Contractor each binds itself, its partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement.

605. This Agreement incorporates all the understandings of the parties hereto as to the matters contained herein and supersedes any and all agreements reached by the parties prior to the execution of this Agreement, whether oral or written, as to such matters.

606. If any provision of this Agreement is held invalid, the balance of the provisions of this Agreement shall not be affected thereby if the balance of the provisions of this Agreement would then continue to conform to the requirements of applicable laws.

607. Any waiver of the terms and conditions of this Agreement by either of the parties hereto shall not be construed to be a waiver of any other term or condition of this Agreement.

608. The Board may, from time to time, request changes in the scope of services of the Contractor to be performed hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between the Board and the Contractor, shall be incorporated in written amendments executed by both parties to this Agreement.

609. References herein in the masculine gender shall also be construed to apply to the feminine gender.

610. Except as otherwise specifically provided in this Agreement, whenever under this Agreement approvals, authorizations, determinations, satisfactions or waivers are required or permitted, such items shall be effective and valid only when given in writing signed by a duly authorized officer of the Board or the Contractor, and delivered in hand or sent by mail, postage prepaid, to the party to whom it is directed, which until changed by written notice, are as follows:

Contractor: Scott C. Sundberg
Vice President/Public Entity Division Manager
H.D. Segur, Inc.
156 Knotter Drive
Cheshire, CT 06410

Board: Michael J. Pinto, COO
New Haven Board of Education
54 Meadow Street
New Haven, CT 06519

IN WITNESS WHEREOF, the parties have executed two (2) counterparts of this Agreement as of the day and year first above written.

WITNESSES:

NEW HAVEN BOARD OF EDUCATION

BY: _____
Darnell Goldson, President
Duly Authorized

WITNESSES:

H.D. SEGUR, INC.

BY: _____
Scott C. Sundberg, Vice President/
Public Entity Division Manager
Duly Authorized



EXHIBIT A

Cost Proposal for RFQ#2019-02-1274 City of New Haven Student Accident Insurance

A. Compulsory Student Accident Medical Insurance-Paid by Board of Education

Eligibility: All day students in grades pre-K through twelfth grade including injuries related to all junior and senior high school interscholastic sports including football, band, cheerleaders, majorettes, coaches, trainers, managers and related activities. Also included are children in Early Development Programs, School Volunteers, and Overnight Field Trips.

Type of Plan	Full Excess
Insurer	Chubb
Deductible	None
Accidental Medical Maximum Benefit	\$25,000
Benefit Period	2 Years
Total Premium	\$38,134

*Alternative first-dollar quotes were not provided as overall premium for Base and Catastrophic Plans would be the same.

B. Catastrophic Accident Medical Insurance-Paid by Board of Education

Eligibility: Same as Plan A. above except Volunteers not covered for catastrophic.

Type of Plan	Full Excess
Insurer	Chubb
Deductible	\$25,000
Accidental Medical Maximum Benefit	\$5,000,000
Benefit Period	10 Years
Total Premium	\$19,928

Total Student Accident Insurance Premium: \$58,062



C. Catastrophic Cash Benefit-Paid by Board of Education

Eligibility: Same as Plan A. above except Volunteers not covered for catastrophic

Student and Athletic Disability Benefit	\$500,000
Total Premium	Included in C. above

<u>Accidental Death</u>	\$10,000
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Accidental Dismemberment

Accidental Single Dismemberment	\$25,000
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Accidental Double Dismemberment	\$50,000
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*There is no separate premium for Accidental Death and Dismemberment Coverage. The premium is included in A. above.

D. Voluntary 24-Hour Accident Medical Insurance-Paid by Parent

Type of Plan	Primary
Accidental Medical Maximum Benefit	\$25,000
Annual Rate per Student	\$93.50
Annual Rate per Student-Dental	\$11.00

Specimen Policies Available Upon Request

CITY OF NEW HAVEN
CONTRACT FOR PROFESSIONAL OR TECHNICAL SERVICES
PART II - TERMS AND CONDITIONS

1. Personnel. (a) The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the City.

(b) All the services required hereunder will be performed by the Contractor or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State or local law to perform such services.

(c) No person who is serving a sentence in a penal or correctional institution shall be employed on work under this Agreement. The foregoing sentence shall not be interpreted to interfere with the Contractor's compliance with the City's Ban the Box requirements.

2. Anti-Kickback Rules. Salaries of architects, draftsmen, technical engineers, and technicians performing work under this Agreement shall be paid unconditionally and not less often than once a month without deductions or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934, as now codified in 18 U.S.C. § 874 and 40 U.S.C. § 3145. The Contractor shall comply with applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations or exemptions from the requirements thereof.

3. Withholding of Salaries. If, in the performance of this Agreement, there is any underpayment of salaries by the Contractor or by any subcontractor thereunder, the City shall withhold from the Contractor out of payments due to him an amount sufficient to pay to employees underpaid the difference between the salaries required hereby to be paid and the salary actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by the City for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

4. Claims and Disputes Pertaining to Salary Rates. Claims and disputes pertaining to salary rates or to classifications of architects, draftsmen, technical engineers, and technicians performing work under this Agreement shall be promptly reported in writing by the Contractor to the City, and the City's decision regarding

such claims and disputes shall be final. Particularly with respect to this Section and Section 5 above, the City reserves the right to inspect Contractor's records with respect to this Agreement and specifically, without limiting the generality of the foregoing, payroll and employee records with respect to the work performed pursuant to this Agreement.

5. Equal Employment Opportunity.

A. During the performance of this Agreement, the Contractor agrees as follows:

- i) To comply with all provisions of Executive Order 11246 and Executive Order 11375, the Connecticut Fair Employment Practices Act under Conn. Gen. Stat. § 46a-51 et seq., the Equal Opportunities Ordinance of the City under Chapter 12 ½ et seq., the Contract Compliance Ordinance of the City under Article III of Chapter 12 ½, including all standards and regulations which are promulgated by the government authorities who established such acts and requirements, and all standards and regulations are incorporated herein by reference;
- ii) Not to discriminate against any employee or applicant for employment because of race, color, religion, age, sex, physical disability, national origin, or any other State or Federal protected class status. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to race, color, religion, sex, age, national origin, physical handicap, or any other State or Federal protected class status. Such action shall include, but is not limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of any or other forms of compensation, and selection for training, including apprenticeship;
- iii) To post, in conspicuous places available to employees and applicants for employment, notice is to be provided by the Contractor setting forth the provisions of this nondiscrimination clause;
- iv) To state, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, physical disability, national origin, or any other State or Federal protected class status;

B. And where this contract involves construction, or is a "public contract" as defined in section 12 ½ -19(o) of the City's Code of General Ordinances, then the contractor additionally agrees:

- i) To send to each labor union or representative of workers with whom the Contractor has a collective bargaining agreement, or other contract or understanding, a notice advising the labor union or worker's representative of the Contractor's commitments under the equal opportunity clause of the City, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor shall register all workers in the skilled trades, who are below the journeyman level, with the Apprentice Training Division of the Connecticut State Labor Department;
- ii) To utilize State of Connecticut Labor Department and City sponsored manpower programs as a source of recruitment and to notify the contract compliance unit and such programs of all job vacancies;
- iii) To take affirmative action to negotiate with qualified minority contractors, women business enterprises and disadvantaged women business enterprises, for any work which may be proposed for subcontracting, or for any additional services, supplies, or work which may be required as a result of this Agreement;
- iv) To cooperate with City departments in implementing required Agreement obligations for increasing the utilization of minority business enterprises, women business enterprises and disadvantaged business enterprises;
- v) To furnish all information and reports required by the contract compliance director pursuant to sections 12 ½-19 through 12 ½-33 of the City's Code of General Ordinances and to permit access to the Contractor's books, records, and accounts by the contracting agency, the contract compliance officer, and the Secretary of Labor for purposes of investigations to ascertain compliance with the program;
- vi) To take such action, with respect to any subcontractor, as the City may direct as a means of enforcing the provisions of sub-paragraphs (1) through (8) herein, including penalties and sanctions for noncompliance, provided however that, in the event the Contractor becomes involved in or is threatened with litigation as a result of such direction by the City, the City will intervene in such litigation to the extent necessary to protect the interest of the City and to effectuate the City's equal employment opportunity program. In the case of contracts funded directly or indirectly, in whole or in part, under one or more federal assistance programs, the Contractor or the City may ask the United States to enter into such litigation to protect the interest of the United States;

- vii) To file, along with its subcontractors, if any, compliance reports with the City in the form and to the extent prescribed in this Agreement by the contract compliance director of the City. Compliance reports filed at such times as directed shall contain information as to the employment practices, policies, programs and statistics of the Contractor and its subcontractors, if any;
- viii) To include the provisions of sub-paragraphs (1) through (9) of this equal opportunity clause in every subcontract or purchase order so that said provisions will be binding upon each such subcontractor or vendor;
- ix) That a finding, as hereinafter provided, of a refusal by the Contractor, or subcontractor, to comply with any portion of this program as herein stated and described, may subject the offending party to any or all of the following penalties:
 - (a) Withholding of all future payments under the involved public contract to the Contractor in violation, until it is determined that the Contractor, or subcontractor, is in compliance with the provisions of this Agreement;
 - (b) Refusal of all future bids for any public contract with the City, or any of its departments or divisions, until such time as the Contractor, or subcontractor, is in compliance with the provisions of this Agreement;
 - (c) Cancellation of this Agreement;
 - (d) Recovery of specified monetary penalties;
 - (e) In case of substantial or material violation, or the threat of substantial or material violation of the compliance procedure or as may be provided for by contract, appropriate equitable or legal proceedings may be brought to enforce these provisions against contractors, subcontractors, or other organizations, individuals or groups who directly or indirectly are not in compliance with the policy as herein outlined.

6. Discrimination Because of Certain Labor Matters Related to Construction Contracts. No person employed on the work covered by this Agreement shall be discharged or in any way discriminated against because it has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or related to the labor standards applicable hereunder to its employer.

7. Assignability. The Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation) without the prior written approval of the City, provided, however, that claims for money due or to become due the Contractor from the City under this Agreement may be assigned to a bank, trust, company, or other financial institution, or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.

8. Interest of City Officials. No member of the governing body of the City, and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the carrying out of the project to which this Agreement pertains, shall have any personal interest, direct or indirect, in this Agreement.

9. Interest of Contractor. The Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, in the above-referenced project or any parcel of land therein or any other interest which would conflict in any manner or degree with the performance of its service hereunder. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed.

10. Findings Confidential. All of the reports, information, data, etc., prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City.

11. Audit. The City reserves the right to audit the Contractor's books of account in relation to this Agreement any time during the period of this Agreement or at any time during the twelve-month period immediately following the closing or termination of this Agreement. In the event the City elects to make such an audit, the Contractor shall immediately make available to the City all records pertaining to this Agreement, including, but not limited to, payroll records, bank statements, and canceled checks.