

Midwestern Higher Education Compact

Master Property Program

Request for Proposal

Appraisal Services

Contact:

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Program Manager

Disclaimer Notice

In compiling the information for this request for proposal, MHEC and Marsh have attempted to identify information that is useful to prospective vendors in analyzing the program's property portfolio and requested appraisal services. Because of the size and diversity of the program's assets, information on all of its activities cannot be supplied. For these reasons, the information contained herein is not intended and shall not be construed for any purpose as a warranty, representation or inducement of any kind.

The information you are receiving and that may be provided to you at any time, whether orally or in writing, is considered the property of MHEC, the Master Property Program participating member institutions, and Marsh. All such information is submitted on the condition that it will be used solely by your company and solely for the purpose of developing an appraisal services proposal for the MHEC Master Property Program. Accordingly, such information is not to be used by your company for any other purpose and is not to be disclosed to, or used by, any other entity or individual for any purpose whatsoever, in each case without MHEC's prior written consent.

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Overview

The Midwestern Higher Education Compact (MHEC) is competitively soliciting proposals to establish a Master Agreement to provide property valuation services to the member institutions participating in MHEC's Master Property Program. Upon awarding of a bid and successful negotiation of a Master Agreement, MHEC will endorse the selected service provider(s) property valuation services to the member institutions. Each individual member institution shall determine, at its sole discretion, whether or not to utilize the services offered by the selected service provider(s) and the scope of the services to be rendered. A member institution that determines it wants to utilize the services offered by the winning service provider(s) through the Master Agreement shall enter into a separate contract with the winning service provider(s) (Services Contract). The pricing for such services shall be as set forth in the Master Agreement. All other terms and conditions of the Services Contract shall be negotiated between the member institution and the winning service provider(s), and should adhere to terms no less material than those set forth in the Master Agreement. MHEC does not guarantee that any member institution will utilize the Master Agreement to enter into Service Contract(s) with winning service provider(s) or will purchase property valuation services from winning service provider(s).

Introduction to MHEC

The Midwestern Higher Education Compact (MHEC) is an interstate compact that was established in 1991 following a special study by the Midwestern Legislative Conference of the Council of State Governments with the purpose of advancing higher education through interstate cooperation and resource sharing. It is governed by a 60member commission of legislators, higher education leaders and governors' representatives. Two commissioners are appointed by each state's legislature and each state's governor appoints three. The commission meets semi-annually. Member state appropriations, foundation grants and program fees finance its program activities. The commission maintains a headquarters office and staff in Minneapolis, and offers programs and services in cost savings, student access, and policy research and analysis.

Twelve Midwestern states have enacted legislation to become members of the Compact:

- Illinois
- Indiana
- Iowa
- Kansas
- Michigan
- Minnesota
- Missouri
- Nebraska
- North Dakota

- South Dakota
- Ohio
- Wisconsin

MHEC's website provides a complete overview of the organization's goals, philosophies, and financials. For more information regarding MHEC, you are invited to visit their website at <http://www.mhec.org>.

The Master Property Program is one of the cost savings programs established by the commission and was first offered in 1994. The program focuses on strategic growth and the group welcomes new collegiate members who have implemented good risk management practices on their campuses, who have taken preventative measures to reduce avoidable losses over the years, and is interested in the overall mission of the program.

If invited to become a member, each individual institution, based on its own interests, determines whether or not to join the program; and once a program member, annually determines whether or not to remain with the program. Since 2000, the program has experienced a 98% retention rate

Following a competitive solicitation, MHEC retained the services of Marsh USA, Inc. ("Marsh") to serve as the Master Property Program's program administrator. Working in conjunction with MHEC and the program's participating members, the program administrator helps guide, support, implement and manage the Master Property Program. Consistent with the program and its members' needs, all third party vendors performing services for the program are required to work cooperatively with the program administrator and provide the program administrator with the information and data it needs to complete its functions for the Master Property Program.

Any 2-year or 4-year public or private not-for-profit college and university in a MHEC Compact state are invited to apply for admission to the MHEC Master Property Program. Acceptance is contingent upon approval by the program's Underwriting Subcommittee.

A June 2004 agreement between MHEC and the Western Interstate Commission for Higher Education (WICHE) makes the program available to institutions in the West (Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming), on a case-by-case basis, where it is mutually beneficial to participating members.

Likewise, a June 2009 agreement between MHEC and the New England Board of Higher Education (NEBHE) makes the program available to the institutions in New England (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), on a case-by-case basis, where it is mutually beneficial to participating members.

In September 2013, MHEC and the Southern Regional Education Board (SREB) reached an agreement to allow institutions within member states of SREB (Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia) to join MHEC's Programs of Insurance, on a case-by-case basis, where it is mutually beneficial to participating members.

Today, there are 87 member institutions participating in the program having over 160 campuses, with combined insurable values in excess of \$92 billion that purchase their property insurance through the program. Participating members range in size from under \$100 million to more than \$14 billion in total insurable values.

For more information about the Master Property Program (MPP), please review the MPP brochure at: <http://www.mhec.org/sites/mhec.org/files/mppbrochure.pdf>.

In order to properly assess and rate their loss control programs and property exposures, and to support the underwriting of the program, MHEC contracts with high quality vendors to provide various services, including property loss prevention site visits and thermographic (infrared) scanning surveys for the purpose and benefit of MHEC, Marsh, and its participating member institutions. In addition, at the request of MHEC, reports and other documents are commonly shared equally with the participating base program insurers (currently AIG and Zurich). All data, reports and other information generated by the service provider on behalf of MHEC during the course of this service contract will be the possession and ownership of Marsh, MHEC and the respective participating member institutions.

Proposal Timeline and General Provisions

Your proposal must be submitted in accordance with the following timeline and general provisions.

Note: Timeline dates are as indicated unless otherwise changed by MHEC. In the event that MHEC finds it necessary to change any of the timeline dates or activities listed below, it will do so by issuing a separate written statement or an amendment to the RFP):

January 20, 2017 — RFP Public Disclosure and Distribution: Request for Proposal sent to potential service providers and publically disclosed on MHEC website. Provider shall confirm receipt of RFP and agreement to participate in the RFP process via email to [Carla Ahrens at carlaa@mhec.org](mailto:Carla.Ahrens@mhec.org).

January 31, 2017 — RFP Participation Reply and Lock Date: Participants desiring to participate in the RFP process must reply by returning a completed RFP Participation Agreement page via email before 4:00 p.m. Central Daylight Time (CDT) / 5:00 p.m. Eastern Daylight Time (EDT) on this date to continue in the process. No additional participants may request inclusion in the RFP process after this date.

February 7, 2017 — Question Submission Deadline: Participants in the RFP may submit additional questions in written format up to this date. Written responses to submitted questions will be returned to all RFP participants after this date.

February 27, 2017 — RFP Response: MHEC requires receipt of all RFP responses by 4:00 PM CDT / 5:00 PM EDT on this date. All responses must be sent electronically in pdf or Word format. You will receive a confirmation email reply upon receipt of your electronic submission. All submissions should be sent to Ms. Ahrens at the above e-mail addresses.

Note: Proposals received after this deadline may not be accepted in connection with this RFP at the discretion of MHEC leadership.

March 20, 2017 — Bid Award: Tentative week of bid award. Awarded bidder(s) and MHEC will enter into contract negotiations

April 3, 2017 — Program Implementation: Upon successful completion of contract negotiation, implementation of program at MHEC shall begin. Written communication (via email) will be provided to all RFP participants indicating the winning provider(s) on or before the above inception date.

Please provide notice to Ms. Ahrens via email if your firm at any time decides to decline participation in this RFP, and destroy/delete/expunge all electronic versions of this proposal immediately.

Each provider must agree that the information contained in their proposal will be valid for consideration for a period of ninety (90) days. Additionally, through mutual agreement between both the provider and MHEC, this validity term may be extended as necessary.

Each provider will be given the opportunity to make their best offer as regards all aspects of this RFP. It is recommended that each provider include their best pricing and servicing structure as well as any other variables/considerations that will aid MHEC in evaluating the provider's capabilities.

Your proposal shall be structured with annual pricing starting on the program implementation date, and arranged for a minimum three-year term. Additionally, your proposal should contemplate an option, subject to agreement by MHEC, for a possible extension of the contract in the subsequent following two years.

If a prospective provider discovers a significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in the RFP, the provider should immediately notify Ms. Ahrens of such error and request modification or clarification of the RFP document. Every effort has been made to provide as much relevant information as possible in connection with this request for proposal. However, in the event that additional data is needed to properly respond to this RFP, please direct all questions to both Ms. Ahrens, and to the

extent feasible, an answer will be provided as soon as possible. If your question is relevant to all providers, it may be shared with competing bidders at the discretion of MHEC leadership.

Each provider is asked to respond as thoroughly as possible to this RFP. Please also note that despite Marsh and MHEC's best attempts, there may not be sufficient information to complete every aspect of this proposal. All reasonable attempts to answer all questions posed in this RFP should be made without the expectation of additional data from Marsh or MHEC. No provider may consider any information provided by MHEC (unless written through Ms. Ahrens) to be an official expression on its behalf.

Summary of Required Submittal Requirements

Please include the following information with your proposal:

- A. Company qualifications and history, especially as it relates to higher education clients and risks.
- B. Audited financial statements for the past two fiscal years. Where available, provide both Income Statements and Balance Sheets.
- C. Resume and qualifications of your proposed MHEC Program Account Manager: Include this individual's location, roles and responsibilities, if awarded this contract. Include a summary of their qualifications and experience in the higher education arena.
- D. Resume and qualifications of your proposed Servicing Team: Include number, location, resumes, and qualifications of key members of your proposed in-house account service team: Provide a detailed summary of the personnel that would be involved on the program, including their location and the geographical spread of those individuals.

Any selected vendor will be required to provide the property valuation services in all fifty states.
The use of subcontractors is prohibited.

- E. Evidence of current relevant state certification(s) for member institution states.
- F. Sample reports for Replacement Cost Property Appraisal services.
- G. References for similar/same services being requested in this proposal.
- H. Proposed fee structure, including optional or additional items/costs
- I. Hourly / Project billing rates for additional/other activities not contemplated in this proposal.
- J. Confirmation and evidence that insurance requirements can be met and will be kept valid throughout the Agreement period.

Agreement Terms and Instructions:

Bidders are cautioned to read this entire document carefully and to prepare and submit their response providing all requested information in accordance with the terms and conditions set forth herein. To be considered, Bidders must submit a complete response to this **RFP** in the format detailed by the specifications. **Proposals** must be dated, signed by an official authorized to bind the Bidder to the terms of the quote and submitted to MHEC in accordance with the instructions, terms and conditions of this **RFP**.

MHEC reserves the right to:

- Reject any or all proposals, or any parts, received in response to this RFP;
- Waive any technicalities, informalities, irregularities or inconsistencies in the RFP responses it receives
- Request clarification from any Bidder on any or all aspects of its proposal;
- Cancel and/or reissue this RFP at any time;
- Retain all proposals submitted in response to this RFP; and,
- Invite some, all, or none of the Bidder(s) for interviews and/or further negotiations/discussion. MHEC reserves the right to negotiate the pricing and all terms and conditions associated with this RFP process with the selected service provider(s).

Upon awarding of a bid and successful negotiation of a Master Agreement, MHEC will endorse the selected service provider(s) property valuation services to the member institutions. Each individual member institution shall determine, at its sole discretion, whether or not to utilize the services offered by the selected service provider(s) and the scope of the services to be rendered. A member institution that determines it wants to utilize the services offered by the winning service provider(s) through the Master Agreement shall enter into a separate contract with the winning service provider(s) (Services Contract). The pricing for such services shall be as set forth in the Master Agreement. All other terms and conditions of the Services Contract shall be negotiated between the member institution and the winning service provider(s), and should adhere to terms no less material than those set forth in the Master Agreement. MHEC does not guarantee that any member institution will utilize the Master Agreement to enter into Service Contract(s) with winning service provider(s) or will purchase property valuation services from winning service provider(s).

1. **Advertising:** No Bidder providing services to MHEC, or the program member institutions, shall appropriate or make use of the name or other identifying marks or property in its advertising or marketing.
2. **MHEC Not Liable for Program Member Institutions:** Unless otherwise agreed in writing, MHEC shall not be liable to the selected service provider(s) for any acts or omissions of any program member institution, including the failure to make any payments due for services performed. Similarly, unless otherwise agreed to in writing, no program member institution shall be liable for any other program

member institution's acts or omissions, including the failure to make any payments due for services performed

3. **Agreement Extension:** MHEC reserves the right to extend the agreement beyond the normal expiration date if MHEC determines it to be in their best interest, and the selected service provider(s) agrees to the extension.
4. **Assignment:** Any agreements entered into as a result of this offering may not be assigned by the selected service provider without the expressed written consent of MHEC and the participating members.
5. **Auditing Policy:** The selected service provider (s) on this agreement will be required to cooperate with any outside auditor employed by MHEC, a MHEC program member institution, a MHEC program member institution state, or an auditor employed by a MHEC program member institution or a MHEC program member institution state, for the sake of monitoring that the service provider is complying with the terms of this agreement. If discrepancies are found and they appear to be unintentional, the successful service provider will correct the situation and return any overpayments that may have been made by any MHEC program member institution. Any appearance of intentional wrong doing by the service provider will be cause for the immediate cancellation of any agreement entered into by MHEC or a MHEC member institution and the selected service provider and the difference of overpayment shall be reimbursed to that institution.
6. **Accounting Practices:** The selected service provider(s) on this agreement shall maintain, during the term of the contract, all books of account, accounting records, reports, and records in accordance with generally accepted accounting practices and standards for records directly related to this contract. The selected vendor(s) agree to make available to MHEC, MHEC member states, and program member institutions, during normal business hours, all books of account, reports, and records relating to this contract for the duration of the contract and retain them for a minimum period of six (6) years beyond the last day of the contract term.
7. **Awards:** Any agreement entered into as a result of this inquiry may be awarded to one service provider or to several as multiple awards, whichever is in the best interest of the purpose and intent of MHEC and its member institutions. MHEC and its member institutions reserve the right to judgment concerning quality of service and the supplier(s) capability to service the agreement.
8. **Bid Response:** It is the sole responsibility of the bidder to submit their bid response ON TIME and at the location shown within this RFP. **Requests for extension of the due date or time may not be considered. LATE BIDS MAY NOT BE ACCEPTED.**
9. **Cancellation/Termination:** Any resultant agreement may be canceled by either the selected service provider or MHEC at any time without cause during its term upon 90 days written notice to the other party. The inability of the selected service provider to provide sufficient skilled

laborers at the expected service level and/or to perform services on a timely basis may serve as grounds for contract termination. Poor performance as demonstrated by slow response time, failure to adhere to safety practices and regulations, failure to pursue the work with diligence, poor productivity, inefficient work, and poor workmanship may, without limitation, constitute grounds for immediate termination of the agreement by MHEC. MHEC also reserves the right to remove from participation in services associated with this agreement any awarded service provider's employee and/or subcontractor whose conduct is deemed unsatisfactory by MHEC. Termination of the agreement shall in no way limit the parties' remedies at law and equity. In the event the Master Agreement is terminated for any reason, MHEC member institutions that entered into a Service Contract with the selected service provider shall retain its rights in any Service Contract executed prior to the effective termination date. In the event MHEC member institution terminates a Service Contract with the selected service provider, payments that the service provider has received for services not yet completed will be returned to MHEC member institution.

10. **Cancellation for Lack of Funding:** Any Service Contract entered into between a MHEC member institution and the selected service provider may be canceled without any further obligation on the part of MHEC or the MHEC member institution in the event that, in the MHEC member institutions' sole discretion, sufficient appropriated funding is unavailable to assure full performance of its terms. The service provider(s) shall be notified in writing of such non-appropriation at the earliest opportunity.
11. **Applicable Laws and Regulations and Compliance:** (a) Bidders warrant that both in submission of its proposal and performance of any resultant contract that Bidder shall comply with federal laws, rules and regulations applicable to subcontractors of government contracts including those relating to equal employment opportunity and affirmative action in the employment of minorities (Executive Order 11246), women (Executive Order 11375), persons with disabilities (29 USC 706 and Executive Order 11758), and certain veterans (38 USC 4212 formerly [2012]) contracting with business concerns with small disadvantaged business concerns (Publication L. 95-507). Contract clauses required by the Government in such circumstances are incorporated into any resulting agreement by reference. (b) Bidder(s) warrant that both in submission of its *proposal* and performance of any resultant contract that Bidder will comply with all applicable Federal, state, and local laws, regulations, rules, and/or ordinances.
12. **Conflicts of Interest and Ethics Compliance:** No personnel of Bidder who exercise any functions or responsibilities in connection with the review or approval of this RFP or resulting Master Agreement or carrying out of any such work, shall, prior to the completion of said work, voluntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge and fulfillment of his or her functions and responsibilities with respect to the carrying out of said work.

Any such person who acquires an incompatible or conflicting personal interest, on or after the effective date of Bidder's response to this RFP, or who involuntarily acquires any such incompatible

or conflicting personal interest, shall immediately disclose his or her interest to MHEC in writing. Thereafter, he or she shall not participate in any action affecting the work under the RFP or resulting Master Agreement, unless MHEC shall determine in its sole discretion that, in the light of the personal interest disclosed, his or her participation in any action would not be contrary to the public interest.

By submitting a proposal, the bidder certifies that no relationship exists between the bidder and MHEC, the program member institutions or Marsh that interferes with fair competition or is a conflict of interest, and no relationship exists between the bidder and other persons or firms that constitute a conflict of interest that is adverse to the Midwestern Higher Education Compact.

13. **Service Default:** Consistent failure of Selected Service Provider(s) to meet the terms and conditions, deemed by MHEC in its sole discretion, and to be a material breach including but not limited to required service levels, quality, invoice inaccuracies, etc., will constitute a default of any agreement resulting from this RFP by the Service Provider, and shall be grounds for termination. Termination shall in no way limit the member institution's right to recover damages that arose as a result of the Service Provider's breach.
14. **Contract Term:** The contract term will commence on the date of award and will remain firm until three years after effective date with two one-year renewal options. MHEC reserves the right to extend the agreement for up to two (2) additional years, one year at a time. MHEC reserves the right to extend the resultant agreement beyond the normal expiration date if MHEC determines it to be in their best interest and the selected service provider(s) agrees to the extension.
15. **Ethical Conduct:** It is expected that once an agreement is issued, service providers (awarded or not awarded) will not undertake any actions that might interfere with, or be detrimental to, the contractual obligations of MHEC, or its member institutions. MHEC reserves the right to take any and all actions deemed appropriate in response to unethical conduct by a service provider. Such actions include, but are not limited to, establishing guidelines for campus visits by a service provider, and/or removal of a service provider from MHEC's Bidder's list(s).

Apart from the contact required for any on-going business at MHEC member institutions, service providers are specifically prohibited from contacting any individual at, or associated with program member institutions regarding this RFP. Service provider communication shall be limited to the contacts named in this RFP document.

A service provider's failure to adhere to this prohibition may, at MHEC's sole discretion, disqualify the service provider's proposal.

16. **Evaluation:** If an award is made, the Bidder(s) whose *proposal*, in the sole opinion of MHEC, represents the best overall value to MHEC will be selected. Factors which determine the award are detailed more fully in the specifications, including but not limited to: the *proposal's* responsiveness to all specifications in the RFP; quality of the Bidder's services; ability to perform the contract;

general responsibility as evidence by past performance; and other selection criteria listed within this RFP. Pricing, although a factor, will not be the sole determining factor in award of the **agreement**. MHEC will determine the weighting factors that will be assigned.

17. **Illegal Conduct:** All responses must include a statement as to whether or not the responding firm has been convicted of bribery or attempting to bribe a public official, barred from contracting with a unit of local, state or federal government as a result of bid rigging, or been convicted of a felony.
18. **Hold Harmless:** It is understood that the Bidder, if awarded a Master Agreement, agrees to indemnify, protect, defend, and save harmless MHEC, its Commissioners and employees, and the program member institutions from any claims suits or demands for payment that may be brought against them due to the acts errors or omissions of Bidder in providing the services under this agreement and for use of any patented material, process, article or device that may enter into the manufacture or construction, or form a part of the works covered by either order or contract.
19. **Incurred Expenses:** The Bidder(s), by submitting a proposal, agrees that any costs incurred by responding to this RFP or in support of activities associated with this RFP shall be the Bidder(s) sole responsibility and may not be billed to MHEC or its program member institutions. MHEC will incur no obligation of liability whatsoever to anyone resulting from issuance of, or activities pertaining to this RFP.
20. **Insurance and Related Requirements:**

Minimum Insurance Coverage's and Requirements — an Insurance Certificate evidencing the following must be submitted with your RFP response:

The selected service provider(s) shall obtain and maintain the minimum insurance coverage's set forth below. By requiring such minimum insurance, MHEC and its participating program member institutions shall not be deemed or construed to have assessed the risk that may be applicable to the selected service provider(s). The selected service provider(s) shall assess its own risks and, if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage's. The selected service provider(s) is not relieved of any liability or other obligations assumed or pursuant to the contract by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types. A certificate(s) evidencing all coverage must be furnished to Marsh prior to the beginning of the work performed. Renewal certificates must be submitted prior to coverage expiration dates.

Coverage's:

1. **Commercial General Liability** — ISO form CG0001 or its equivalent. Coverage to include:
 - Premises and Operations
 - Personal Injury/Advertising Injury
 - Products/Completed Operations

- Liability assumed under an Insured Contract (including tort liability of another assumed in a business contract)
- Independent Contractors

2. **Automobile Liability** — Coverage to include:

- Owned Vehicles
- Leased Vehicles
- Hired Vehicles
- Non-Owned and Employee Non-Owned Vehicles
- Personal Injury Protection (where applicable)

Limits Required:

The selected service provider(s) shall minimally carry the following limits of liability:

Errors and Omissions Insurance	\$10,000,000
Commercial General Liability	
General Aggregate	\$5,000,000
Products/Completed Operations Aggregate	\$2,000,000
Each Occurrence Limit	\$1,000,000
Personal/Advertising Injury	\$1,000,000
Damage to Rented Premises	\$100,000
Medical Payments (Any One Person)	\$10,000
Each Occurrence	\$1,000,000
Aggregate	\$1,000,000
Automobile Liability	
Bodily Injury/Property Damage (Each Accident)	\$1,000,000
Personal Injury Protection, if applicable	Statutory
Workers' Compensation	
(Workers' Compensation)	Statutory
Employers' Liability	\$500,000
	\$500,000
	\$500,000

Additional Requirements:

Commercial General Liability (CGL)

Commercial General Liability (CGL) must include coverage for liability arising from products-completed operations and liability assumed under an insured contract.

If the CGL insurance has a general aggregate limit, then ISO endorsement CG2504 (03/97 Edition) or its equivalent must be added. The Designated Location(s) General Aggregate Limit must be maintained for the duration of the agreement, and the limit must be twice the minimum required occurrence limit.

The selected service provider(s) must name MHEC, its participating member schools, and its Board of Regents/Trustees, officers, employees, agents, and volunteers as Additional Insured's on ISO endorsement CG 2026 or its equivalent.

The CGL policy shall contain no endorsement or modification limiting the scope of coverage for liability assumed under a contract or liability arising from pollution.

All Policies

- Must be written on a primary basis, non-contributory with any other insurance coverage's and/or self-insurance carried by MHEC or its participating member schools.
 - Must include a Waiver of Subrogation Clause.
 - May not be non-renewed, cancelled, or materially changed or altered unless thirty (30) days advance written notice via certified mail is provided to MHEC and Marsh
21. **MHEC Rights:** MHEC reserves the right to reject all, some, or none of the received **proposals** and to waive informalities contained in **proposals** that are not inconsistent with law. MHEC may also waive any minor defects, irregularities or inconsistencies in the **proposal**, and also reserves the right to negotiate the final terms of the agreement with the service provider(s) determined to be a finalist for selection on this solicitation.
22. **Non-Discrimination:** In connection with the furnishing of services under any contract resulting from this RFP, the successful bidder and all its subcontractors shall agree not to discriminate against any recipients of services, or employees or applicants for employment on the basis of race, color, religion, national origin, sex, age, disability, or veteran status. The successful bidder shall comply with federal and state laws, rules and regulations applicable to subcontractors of government contracts including those relating to equal employment of minorities, women, persons with disabilities, and certain veterans. Contract clauses required by the United States Government in such circumstances are incorporated herein by reference.
23. **Pricing:** Bidders are asked to thoroughly explain their pricing structure in their response. MHEC reserves the right to negotiate this and other pertinent terms with the selected finalist(s), and this could become one of the selection criteria used in the award process.
24. **Proposal Accuracy:** Review submitted proposal carefully, since it shall not be corrected after the RFP Response date. Any agreement resulting from this RFP shall require the successful service provider(s) to adhere to all specified conditions. Failure by the service provider(s) to meet schedules: to complete the deliverables within a reasonable time, as interpreted solely by MHEC; or any other failure to perform in accordance with the terms and conditions of the RFP and resultant agreement shall allow MHEC, at its sole discretion, to rescind or cancel the agreement.
25. **Proprietary Information:** All evaluation criteria for proposals are non-proprietary and subject to public disclosure after contract award. After the contract is awarded and the contract document is executed, all proposals and documents pertaining to the proposals will be open to the public. If the prospective provider submits information in response to this RFP that it believes to be trade secret materials as defined by the laws of the MHEC member states, the prospective provider must:
- a. Clearly mark all trade secret materials in its response at the time the response is submitted;

- b. Include a detailed statement with its response justifying the trade secret designation for each item; and
- c. Defend any action seeking release of the materials it believes to be a trade secret, and indemnify and hold harmless MHEC, its Commissioners, agents and employees from any judgments awarded against MHEC in favor of the party requesting the materials, and any and all costs connected with the defense. This indemnification survives MHEC's award of a contract. In submitting a response to this RFP, the prospective provider agrees to the terms set forth in this paragraph number 25 Proprietary Information, and agrees that the indemnification obligation set forth herein survives as long as the trade secret materials are in possession of MHEC.

In the event a request is made for information which the prospective provider has identified as trade secret, MHEC agrees to notify prospective provider of said request and provide its determination as to whether disclosure is legally required, in addition to anticipated disclosure dates, if any, and to allow the prospective provider an opportunity, in its discretion and at its sole expense, to seek a protective order or otherwise protect the confidentiality of the information.

- 26. **Provisions:** If any provisions in the resultant agreement to this RFP are held to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.
- 27. **Quality of Service:** The successful service provider(s) must be prepared to furnish continual top quality service to all of the institutions identified by MHEC for services. Failure to do so may be considered just cause for cancellation of the agreement.
- 28. **Proposal Submittal:** Proposals should follow the chronology of the RFP. Bidders may return **Proposals** to individuals identified in this RFP for receipt of proposals prior to the RFP Response due time and date of 4:00 p.m. CDT / 5:00 p.m. EDT on February 27, 2017. Proposals will be accepted only if the documents are signed and dated. Any proposal that does not include all elements as specified herein may be considered an incomplete proposal and may not be considered for award. **Proposals** received after the **Proposal Closing Date** may not be considered. Requests for extension of **Proposal Closing Date** will not be granted unless MHEC determines, at its sole discretion, that the original **Proposal Closing Date** necessitates alteration. Notice of any extension will be provided in the form of an email notice to all participating companies or an addendum to the RFP.
- 29. **Reports:** Awarded service provider(s) will be required to provide to Marsh, MHEC representatives, insurers, and to any requesting MHEC program member institution, any and all agreed upon reports at no charge. Failure to provide these reports may result in cancellation of the agreement.

30. **Safety Procedures:** The service provider, its employees and subcontractors shall comply with MHEC program member institution's safety procedures while on the member's premises. Failure to comply may, at the discretion of member management, result in immediate dismissal of the individual from the premises.
31. **Sales Tax:** The program member institutions entering into Service Contracts ensuing from the Master Agreement as a result of this RFP are exempt from sales tax and excise tax. Exemption certificate will be furnished upon request.
32. **Specifications:** Proposals are requested for services specified. Instructions are for descriptive purposes only and to guide the Bidder in interpretation of the performance desired, and shall not be construed to exclude proposals offering other types of service unless otherwise noted. If the description of your offer differs in any way, you must give complete detailed description of your proposal. Bidder **must** provide a proposal exactly as specified on this RFP. Bidder may also offer alternatives. MHEC reserves the sole right to determine if any alternates offered will be considered and/or accepted.
33. **State Law:** Any Master Agreement entered into as a result this solicitation will be construed in accordance with and its performance governed by the laws of the State of Minnesota. Any Service Contract ensuing from the Master Agreement shall be construed in accordance with and its performance governed by the laws of the state where the MHEC member institution entering into the Service Contract resides.
34. **Use of Data** — Bidder agrees that it will keep confidential the features of any technical or proprietary information furnished by the program member institutions, and use such items only in the services rendered and not otherwise, unless the member institution's written consent is first obtained. All information and data supplied by MHEC and program member institutions pursuant to this RFP and subsequently resulting from this RFP shall remain the sole property of MHEC and the program member institutions.

RFP Participation Agreement

Please indicate your agreement with all provisions contained in this proposal by checking the appropriate box and filling in the section below, and return this single page via electronic pdf format to [Carla Ahrens at carlaa@mhcc.edu](mailto:Carla.Ahrens@mhcc.edu). If you choose not to participate, please return this page indicating your desire not to bid. **NOTE:** Participation agreement presumes your agreement with all terms and conditions contained within this RFP, unless the response to the RFP clearly states an objection to a specific term or condition. An objection to any term or condition in the RFP will not automatically disqualify you; however, it may be considered as part of the evaluation.

- Agree to Participate in RFP

- Decline to Participate in RFP

Participant Company Name

Name (Printed)

Title (Printed)

Signature

Date

The provider shall also identify the person(s), if different than above, having the authority to contractually bind the provider.

Binding Authority Individual(s) (if different from above):

Name and Title

Name and Title

MHEC reserves the right at any time to amend, supplement, withdraw, or otherwise change this RFP. Additionally, MHEC also reserves the right to possibly award this contract without discussion of the proposals received.

MHEC would like to advise all responders that MHEC is not committed to any course of action as a result of this RFP, including the following:

- MHEC may reject any proposal that does not conform to the specific instructions in this RFP;
- MHEC may not accept late proposals as discussed previously;
- MHEC may not award the contract to the lowest bidder;
- MHEC may reject all proposals;
- MHEC may negotiate with one or more firms;
- MHEC may not award a portion or this entire contract;
- MHEC may award a portion or portions to multiple vendors; and
- MHEC may award a contract at any time.

Finally, MHEC would like to advise each bidder that your firm will not be reimbursed for any fees necessary to prepare your response, whether or not your firm is awarded a contract.

Evaluation of Proposals

Representatives from MHEC and their administrative team will evaluate each proposal in a fair, objective, and consistent manner based on the information provided by the respective vendor. The final decision and ultimate contract award will be at their discretion.

Each RFP will be evaluated based on the following criteria:

Financial — A “cost benefit” will be determined based on cost and scope of services and their value to MHEC and its participating member institutions.

Perceived Value — Each provider should include successes associated with their services, including possible cost savings/risk reduction to the client.

Servicing History — Providers will be assessed and should include service history and years of service in providing appraisal and services as requested in this RFP.

Accessibility — The ability to easily access and use the proposed services will also be considered.

Performance and Headcount — The number of employees, qualifications, geographical location, and service performance methodology (whether self-performing or subcontracted) will be considered.

Data Management and Reporting — Proper management of all relevant customer data and reports are essential to this program and will be evaluated accordingly.

Service Provider Resources — Availability of relevant resources related to the provided services will be evaluated and considered in the bid selection process.

Other Services — Submitted additional ideas or other services beyond the requested services will be assessed in association with bids.

Referrals — References from other existing customers should be provided with each proposal. Emphasis should be placed on those customers having similar characteristics to the requested RFP (i.e., similarity in servicing activities, educational institution clients, unbundled/contract servicing, etc.). These may be checked during the course of the evaluation process. Current customers are recommended, wherever possible.

Perceived Caliber of Services Provided — Members and Marsh will provide input on previous experience with the providers.

The evaluation process used by MHEC is of a confidential and proprietary nature.

Service Scope

Appraisal Services and Provider Information

MHEC desires to develop an agreement (agreements) with selected vendor(s) for the purpose of providing property-insurance related appraisal services. Note that other appraisal services may be desired by members, so additional/other appraisal services may be introduced and will be considered in the decision-making process for this RFP.

A proposal and related documents detailing your firm's appraisal service offerings is requested. The information submitted should include mandatory information outlined in another area of this RFP. In addition, the following information will be beneficial and is provided for consideration in your submittal:

1. Provide a brief historical perspective on your company (years in business, growth via mergers and acquisitions, key industry innovations, etc.).
2. Describe your core capabilities to meet MHEC's need for appraisal services.
3. Describe in detail the building valuation software you use and the data elements you will collect on site to populate that software tool. Is your building valuation software proprietary/home-grown or a commercial software package that is recognized by the appraisal industry?
4. What do you feel your company has to offer that distinguishes it from other companies?
5. Detail how many other higher education entities/compacts/consortia or similar clients for which you currently service. If possible, please describe similarities / differences compared to MHEC.
6. Describe the quality control processes in place within your firm, including peer review, performance metrics, delivery standards, and problem solving/dispute resolution with customers.
7. Provide evidence of current affiliation with recognized appraisal associations.
8. Submit detailed description of your pricing methodology (include whether or not you accept payment via credit card).
9. Include a description of servicing alternatives (examples: desktop services, site services, etc.) and related pricing for these services.
10. Provide sample Replacement Cost Appraisal Reports.
11. Provide sample Reports or other deliverables for other appraisal services.
12. Include a Service Team Chart and professional profiles of service team members.
13. Historical listing of higher education institutional clients (include client name, date of service, and services performed).
14. Details on other service offerings and/or other company services beneficial to MHEC program participants (examples: web-based valuation services, database management systems, etc.)
15. Provide us with references from at least three current and/or recent clients similar to MHEC and/or higher education institutions, or similar in scope to the services offered (prefer education entities to the extent possible). Include the following information: Individual Title, Company, Street, City-State, Zip, Telephone, Email Address, Service Year(s), Services Provided.

Data Management

MHEC continues to expand its overall loss prevention and fire protection expectations of its members and service providers. Key components to that process include robust service provider websites, databases, and information management systems available to MHEC members. Such systems may provide members access their reports, respond to relevant actionable items such as recommendations, view statistics/benchmarking regarding their campus (is) and/or higher education institutions, download the latest news and information on related topics affecting their industry, and/or provide a regular communication link between provider, customer, and broker.

NOTE: Marsh is contracted as the Program Administrator for the MHEC Master Property Program, and does not serve as a broker to individual members: Many MHEC members have additional local broker representation other than Marsh, and these other brokers will also require access to any resources made available to members.

Please provide details on how your company's information management systems and other electronic resources are constructed for your firm, including both internal/proprietary and external/public portals. Indicate how it would be used to provide maximum benefit to MHEC and its members, and what, if any, enhancements may be coming in the near future. Screen shots or other suitable representations of the capabilities of your website/database are suggested for inclusion with this RFP.

In addition, describe any other technology advancements that your firm uses to enhance the quality and accuracy of data collection and reporting, including but not limited to, any web-based portal in detail. If applicable, specifically describe the ability for MHEC member institutions to make real-time additions, deletions and edits to property details after appraisals are complete.

Annual Loss Control Workshop

MHEC holds an annual “Loss Control Workshop” to offer a forum for members to exchange best practices, lessons learned, hear the latest information from industry experts, and interact with others in their industry that may be experiencing similar issues. This is typically held in the central U.S. (currently St. Louis) in early March of each year.

Participants in the workshop include individuals from facilities, campus security, environmental health and safety, risk management, and others. This includes speakers from each of the providers on relevant risk control topics, account managers from the providers to answer servicing questions, survey requests, etc., as well as recommended outside subject matter experts on related higher education topics. These may be suggested from MHEC, Marsh, or the service providers.

The winning provider for this RFP is expected to participate in attending the Annual Loss Control Workshop, and providing presenters periodically for the workshop. Proposals should include this activity as part of their embedded services to the program, and will not be reimbursed for additional costs associated with this participation.

Financial support of this workshop comes from multiple sources, including participating insurance carriers, program vendors and advertisers, MHEC, Marsh, and the other program services provider(s). This support usually involves sponsorship of selected meals or events at the workshop, and is appreciated as an aspect of a service provider’s participation in this program.

General Provider Information

Include the following information regarding your firm:

- a. Provide a brief historical perspective on your company (years in business, growth via mergers and acquisitions, key industry innovations, etc.).
- b. Provide audited financial statements for the past two fiscal years. If possible, please provide both your Income Statement and Balance Sheet.
- c. Describe your core capabilities to meet MHEC's need for property risk control services.
- d. What do you feel your company has to offer that distinguishes it from other companies?
- e. What type of cost avoidance/cost reduction programs have you implemented within your current customers' servicing contracts? How successful were these programs? Are any of these programs still in existence?
- f. Please detail how many other higher education entities/compacts/consortia or similar clients you currently service or have been recently involved with on a stand-alone and unbundled basis. If possible, please describe similarities / differences compared to MHEC.
- g. Provide us with references from at least three current clients and one past client similar to MHEC, or similar in scope to the services offered (prefer education entities to the extent possible). Include the following information: Individual Title, Company, Street, City-State, Zip, Telephone, Fax, Served Since, Services Provided.
- h. Describe the quality control process(es) in place within your firm, including peer review, performance metrics, delivery standards, and problem solving/dispute resolution with customers.

Value Adds Section

Each provider will be evaluated on their ability to provide services that will enhance the process of partnering with MHEC to support the organization's service needs. Please address in this section any value-added program/services you include and their importance to MHEC.

Additionally, any general costing or pricing that is independent of being embedded in the requested services will be beneficial in assessing these additional services