

KCATA Loss Prevention & Procurement Process for Insurance Renewals

- Any renewal premium under \$2,500 can be bound by the Loss Prevention Manager.
 - Loss Prevention prepares a written memo outlining the coverage, the current premium structure, the results of any marketing efforts by the broker and recommendations. A Purchase Requisition will be prepared and submitted with the memo to Procurement.
- Any renewal premium over \$2,500, but under \$25,000 requires written authorization from the Director of Procurement and the Deputy General Manager.
 - Loss Prevention prepares a written memo outlining the coverage, the current premium structure, the results of any marketing efforts by the broker and recommendations.
 - All parties must sign the memo before coverage can be bound so it is imperative that we have all quotes and broker recommendations at least 30 days prior to the renewal.
 - Once the memo is signed, Loss Prevention will authorize the broker to bind the coverage.
 - A Purchase Requisition will be prepared and submitted with the memo to Procurement.
- Any renewal premium over \$ 25,000, but under \$100,000 requires written authorization from the Director of Procurement, the Deputy General Manager and the General Manager.
 - Loss Prevention prepares a written memo outlining the coverage, the current premium structure, the results of any marketing efforts by the broker and recommendations.
 - All parties must sign the memo before coverage can be bound so it is imperative that we have all quotes and recommendations at least 30 days prior to the renewal.
 - Once the memo is signed, Loss Prevention will authorize the broker to bind the coverage.
 - A Purchase Requisition will be prepared and submitted with the memo to Procurement.
- Any renewal premium over \$100,000 must be presented to the Administration and Finance Committee. If they agree with the renewal recommendations, they will be asked to recommend authorization at the Board of Commissioners meeting.
 - The Administration and Finance Committee and the Board of Commissioners meetings occur the third Wednesday of every month. A schedule is available with all the pertinent dates for Board meetings and packet briefing papers.
 - Loss Prevention prepares a briefing paper outlining the coverage, the current premium structure, and the results of any marketing efforts by the broker and recommendations. The briefing paper must contain the most current marketing/quote information so that the Administration and Finance committee can make an informed decision.
 - Presentation to the Administration and Finance committee and Board should occur one month prior to the month of the renewal. Therefore, marketing of the coverage should start 90 days prior to the renewal.
 - The broker should attend the Administration and Finance Committee meeting to answer questions regarding the current insurance environment as it relates to the transit/public entity industry and the marketing process used to procure the related insurance renewal. Once the Board approves the renewal, Loss Prevention will authorize the broker to bind coverage.
 - A Purchase Requisition will be prepared and submitted to Procurement with a copy of the minutes of the Board of Commissioners meeting and the briefing paper.