

Oakmont Village Association

Insurance Bidding Policy

In general, the package of insurance coverages¹ should be put to full competitive bidding among qualified brokers every five (5) years in order to balance the need to enjoy competitive costs with the need to enjoy the benefits of long-term business relationships.

The specific time for competitive bidding by different brokers may be sooner or later than specified because of one or more of the following factors:

- The degree to which the current broker has shopped coverage with alternative carriers since the last full round of bidding (allows later).
- Unsatisfactory service by the broker (suggests sooner).
- Market factors, e.g.:
 - There are instances where the market is so tight that changing brokers and/or carriers is not advisable (suggests later).
 - Insurance costs are on a downward trend (suggests sooner).

A similar bidding policy with respect to Workers Compensation should be followed.

The basic assumption is that the coverages in the package should not be divided between separate brokers. Workers Compensation is not part of the "package".

A further assumption is that when proposals are requested from more than one broker, no broker may request a quote from a carrier that has been reserved for another broker through a fair process.

¹ Liability, property damage, auto, directors & officers, earthquake and umbrella.