



BOARD OF RETIREMENT

Staff Report

File #: 19-407

Agenda Date: 7/11/2019

Agenda #: 13.

FROM: Stacey Barnier, Director of HR and Risk Management

SUBJECT: Risk Management Consultant Funding Request

RECOMMENDATION:

Approve the use of contingency funds not to exceed \$19,000 for G2 Risk Consulting to provide expert consulting services in support of a Request for Proposals for insurance and brokerage services along with other relevant and related risk management consulting.

BACKGROUND:

G2 Risk Consulting is comprised of experienced professionals who come from public and private sector backgrounds having held senior risk management positions. Their consultants have expertise in various areas of risk including but not limited to risk finance, property and casualty insurance, loss control, risk management administration, self-insurance, claims management, safety, management information systems, and risk analysis. G2 Risk Consulting clients have included corporations and public agencies of all sizes, including Fortune 500 companies and federal, state, and local governments.

Pursuant to Administration Policy No. 011 SBCERA Policy for Procurement Other Than Investment Management Services, under the Chief Executive Officer's authority, G2 Risk Consulting was initially engaged to review existing coverage and make immediate recommendations, which included binding coverage for Hired Non-Owned Automobile Liability insurance, which we immediately put in place. Over the last two months, they completed an initial review of the SBCERA insurance policies (both SBCERA procured and County provided) and related risk management practices. As a result of this initial review, it has become clear that SBCERA has gaps in appropriate types and levels of coverage for an organization of this type. As a result, it is important that SBCERA gain other viewpoints as to appropriate coverage limits, deductibles and retentions. This can be achieved by objectively and competitively evaluating coverage and premium options by way of a Request for Proposals (RFP). Staff has not been able to identify if such an RFP has ever been conducted for SBCERA in the past.

Staff recommends engaging G2 Risk Consulting in the sum of up to \$19,000 for risk management consulting related to the competitive RFP process and additional consulting as needed. The full cost of any new or enhanced insurance coverages would be included as part of the FY 2020-2021 budget considerations.

BUDGET IMPACT:

Costs for this item are not included in the current year administrative budget. The use of contingency funds will be required to fund this item, in the amount of up \$19,000.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Operational Excellence & Efficiency

STAFF CONTACT:

Stacey Barnier

ATTACHMENTS:

Exhibit A: G2 Risk Consulting Proposal