

The Nebraska Alumni Association
Insurance Sponsorship and Affinity Programs
Request for Proposals
January 4, 2017

I. Purpose

The Nebraska Alumni Association (NAA) is requesting proposals to serve as the endorsed provider for a variety of NAA Insurance Programs.

The purpose of this Request for Proposal (RFP) is:

- a. To formally publish the goals and objectives of the NAA for establishing and maintaining a variety of Insurance Programs;
- b. To establish a timeline for the bid evaluation and program implementation for bidders;
- c. To provide history and background and other pertinent information for bidders;
- d. To describe certain basic kinds of information NAA wishes to receive from bidders;
- e. To provide an opportunity for bidders to demonstrate their specific skills, expertise, products and methods in the various facets of this type of program; and
- f. To determine total value of various types of products to the NAA and its constituents.

II. Goals of the Insurance Programs

The following are the NAA goals in searching for a program provider to market and administer the NAA endorsed Insurance Programs.

- a. To help the NAA fulfill its mission by finding a partner to offer Insurance Programs designed to:
 - i. Provide a line of products/services to our members that is deemed better than what is available on the open market;
 - ii. Generate royalty, advertising and/or sponsorship revenue for the NAA;
 - iii. Develop and maintain positive relationships with the largest possible number of University of Nebraska-Lincoln (UNL) alumni; and
 - iv. Uphold and enhance the image of the NAA through the quality of the marketing methods, service and materials utilized in the program.
- b. To endorse quality Insurance Programs that are appealing to various segments of UNL alumni;
- c. To market the Insurance Program through the most effective marketing methods and techniques available, consistent with item "II-a" above;
- d. To identify a partner(s) that offers top quality administration and customer service to all participants in the program;
- e. To handle confidential NAA data responsibly, and if applicable, maintain adherence to NAA confidentiality policy with any third parties; and
- f. To identify a suitable term for such programs, preferably three (3) to five (5) years to most efficiently offer and market the program.

III. History and Background

The NAA is an independent 501c3 organization located in Lincoln, NE. The mission of the organization is to bring alumni together to advance the achievements and aspirations of the university. In doing so, the NAA works closely with partners at the University of Nebraska Foundation and at the university to carry out a shared advancement agenda.

One such way the NAA has supported alumni has been through affinity partnerships. The NAA defines affinity partnerships as those contractual relationships where an external company offers services and products to alumni (usually at a discount) through a passively-endorsed marketing program in exchange for royalty, sponsorship and/or advertising support. The NAA considers the endorsed insurance partnerships as such a program.

The NAA has offered various insurance product endorsements for nearly three decades.

Below, please find information that should help you better analyze the NAA organization and prepare your bids. Presently, the NAA wishes to bid the entire insurance products program, including, but not limited to automobile insurance, property, life insurance products, long-term care, Medicare supplement, short-term medical, travel insurance, and any other insurance programs that potential bidders may offer. Other new and emerging insurance-related programs may be included, such that they fall under the scope of an insurance product. This is NOT a bid for products outside the scope of insurance, and proposals containing banking/investment or other products not strictly defined as insurance may be still be submitted and offered to the NAA, but should be included in a separate proposal.

In short, our various audiences are included below:

- NAA has access to approximately 194,452 living alumni that are better educated, with higher disposable income and better overall health than the U.S. population.
- Of those living alumni, approximately 24,422 are currently active members of the NAA, one of the higher membership penetration percentages in the Big Ten.
- The NAA adds approximately 5,250 new graduates to these totals every academic year.

Most insurance programs with the NAA are offered with an activation or commencement date for the program of 7/1/17, while automobile insurance has an activation date of 8/1/17. To allow plenty of time for transition and the implementation of a new program administrator, if any, the NAA wishes to name a finalist and alternate by based on the timeline presented in Section VIII.

IV. Bid Structure

As bids are composed, please be sure to answer all the sections and criteria below and submit the best offer possible – the NAA at the present time plans to name semi-finalists and provide a forum to make a formal in-person presentation. The NAA reserves the rights to negotiate specific terms of the bid at any phase until an agreement is executed. Therefore, be sure to submit the single best offer and response to have the best chance possible of advancing as a finalist. We encourage bidders to ask in-depth questions at any point in the process until they are comfortable that they have secured all the materials needed to submit such bids. The NAA also reserves the rights to forego the presentation process and name a finalist based solely on the bids received.

Feel free to submit bids in any format that is comfortable for your organization, such that all the areas below are covered in depth. The NAA will keep all information submitted in bids confidential to staff, officers, directors and consultants directly involved in the decision process for evaluating proposals for this program.

Please create a one-page executive summary at the beginning of all proposals that contain the products offered, compensation structure and/or guarantees, and basic expectations of the NAA.

V. INFORMATION TO BE INCLUDED IN DETAILED PROPOSALS

a. Proposed program overview:

- i. Insurance program names;
- ii. Program descriptions, including a breakdown by each product and any licensing restrictions – As a national organization with a nationwide alumni base it is important to disclose any states, territories or regions in which specific products are not licensed or cannot be offered for any reason in any particular area;
- iii. Benefits and/or discounted rates to UNL alumni;
- iv. Additional benefit to NAA dues-paying members, if any;
- v. Competitive advantage versus other insurance products available to UNL alumni and NAA members; and
- vi. Overview of compensation nature: i.e. flat annual fee for endorsement and advertising/sponsorship, a royalty paid from business or leads generated where allowed by law, dividends, milestone bonuses, etc. or a combination of all.

b. Corporate History and Background, please include information on your:

- i. Ownership and history;
 1. Company name/Parent company (if any);
 2. Type of business entity;
 3. Primary address, phone, website, e-mail;
 4. Ownership;
 5. Year founded;
 6. Years of Company experience with this product;
 7. Legislative involvement and climate in this arena; and
 8. Subsidiaries/Other businesses and products.
- ii. Client Information;
 1. Experience in association/affinity group marketing and administration (include number of years);
 2. Experience specifically in alumni association marketing and administration (include business volume for the last five years);
 3. List all alumni association clients that your privacy statements allow;
 4. Names, titles and phone numbers for at least three alumni association references;
 5. Five largest clients and percent of total revenue they represent;
 6. Alumni association clients gained in last 18 months; and
 7. Alumni association clients lost in last 18 months and reason for termination.
- iii. Number of employees/organizational structure;
 1. Relevant organizational chart (limit to those that would interact with NAA);
 2. Number of employees in Company and in the alumni division;
 3. How the NAA program would be supported, managed and staffed; and
 4. Division of employees by function.
- iv. Financial data (will be held confidential);
 1. Annual revenues last FY for total Company;
 2. Annual revenues last FY for the alumni division;
 3. Include a copy of your last annual report; and

4. Provide evidence of financial soundness of your company.
- v. Indicate any aspect of the program that would be handled outside of your company (provide names of any third party involved in the administration of the program).

c. Marketing and Promotion, including:

- i. Confirmation that there is no expectation for the NAA to bear any costs associated with the marketing, promotion or offering of this program;
- ii. Your understanding of the alumni marketplace, market research, direct mail marketing, online marketing and proposed marketing strategies;
- iii. Your typical alumni association marketing campaign and samples;
- iv. Your planned marketing approach for the proposed product(s);
- v. Your marketing department's achievements, including specific examples of alumni association response rates and program growth rates. Please include a marketing sample from another alumni association;
- vi. Your internal capabilities versus use of outside marketing/graphic design/web consultants;
- vii. How marketing campaigns are selected, planned, tracked, analyzed and reported;
- viii. Coordination of communication plan with NAA relative to marketing plans and methods, copy approval, etc.;
- ix. Additional marketing cost responsibilities;
- x. Program start-up timeline to launch program (if a new vendor); and
- xi. Sample of a one-year marketing plan for all offered products. Include definition of target audiences and frequency of mailing and contact.

d. Data Handling

- i. Name any third party data manager with whom you work;
- ii. Describe the process that company has in place to manage data;
- iii. Lay out a proposed plan for how often data requests will be made to the NAA; and
- iv. Describe how they ensure the security and integrity of the data.

e. Customer Service and Administration

- i. Describe who has ongoing and permanent responsibility for communications and accountability to the NAA and constituents of the NAA – include the length of their tenure at the organization
- ii. Describe your customer service functions including the level of staffing;
- iii. Present information to verify customer satisfaction and claims handling;
- iv. Describe the types and frequency of reports and communications relative to program status and marketing results;
- v. Describe your company's administrative capabilities, including processing of applications, billing, customer service and customer communications, record keeping and computer system support; and
- vi. Proposed account team, including titles and years of relevant experience.

f. Proposed Terms

- i. Please define your preference for the length of the agreement; and
- ii. Offer acceptable alternative lengths and define any other terms of the bid that would change if your preferred term is shorter or longer.

- iii. Specific terms and conditions shall be negotiated with finalist(s) upon selection. Bidders understand that NAA will have nominal flexibility on contractual terms such as PCI compliance, privacy, data security and customer service standards.
- iv. The nature of this program shall be an agreement between the NAA and the winning bidder. The University of Nebraska-Lincoln is not a party to this agreement and nothing with this request for proposals should include the marks, name or trademarks of the university. However, proper use of the NAA name and indicia, as well as marketing assets, shall be specified in the contract's terms and conditions.

VI. Grouping of Compensation and Nature of Bidders
PLEASE READ CAREFULLY

We will ask bidders of a different nature to submit bids as follows:

- a. If you are primarily an **automobile insurance company**, please title your proposal "Response For Automobile Insurance RFP." Please define your compensation schedule as follows:
 - i. Any royalty guarantee (or) flat licensing (or) flat endorsement fee;
 - ii. Royalty percentage or revenue-sharing structure;
 - iii. Additional sponsorship revenue; and
 - iv. Advertising dollars commitment, including but not limited to:
 - 1. NAA has a quarterly magazine with a 25,000 circulation, primarily to dues-paying members. In addition, one of the quarterly publications is sent to approximately 175,783 people, representing all mailable alumni.
 - 2. NAA is willing to consider, but cannot guarantee the availability of dedicated e-mails
 - 3. NAA sends an e-mail newsletter monthly to 114,474 alumni
 - 4. Additional advertising information and a full media and rate kit are available upon request.
- b. If you are a **property and vehicle insurance company**, please title your proposal "Response For Property and Vehicle Insurance RFP," and please respond to the same four criteria listed in section "VI-a" to group compensation, but please breakout the revenue by program type (separate the property program from the auto/vehicle program). If such a breakdown cannot be made and the programs cannot be separated, please note as such in the compensation section. If certain elements are dependant upon both programs being awarded to you as a single winning bidder, such as advertising or sponsorships, please note as so in the compensation section of your response.
- c. If you are an **insurance program administrator** or **insurance company that offers products other than property and vehicle insurance** that also offers programs such as pet, life and Medicare supplement products (including those previously mentioned) please title your proposal "Response For Insurance RFP," and please respond to the same five criteria listed in section "VI-a," but please breakout revenue into two separate bids that will stand on their own.

- i. One bid's compensation schedule shall include revenue pertaining to royalty/sponsorship/advertising/etc. for automobile insurance products; and
- ii. The other bids compensation schedule shall include revenue pertaining to royalty/sponsorship/advertising/etc. for all other insurance products offered.

Please be specific which partnering companies would supply each product. If such a breakdown cannot be made and the programs cannot be separated, please note as such. If certain elements are dependant upon all programs being awarded to you as a single winning bidder, such as advertising or sponsorships, please note as so in the compensation section if your response.

VII. Revenue Schedule and Arrangements

Please refer to "grouping of compensation" in "Section VI-a" above on how to structure your bids. If a bid is fully described by responding to that section, no additional responses are necessary to this section, but please offer commentary on the following, if possible. Projections are non-binding.

- i. In addition to guaranteed sponsorship, royalty, advertising and other revenue, please detail and define any additional guaranteed revenue received by the association not covered by the criteria above, such as signing bonuses or one-time agreement commencement fees, if any;
- ii. Please provide a non-binding five-year projection for your program, factoring in program launch, planned marketing programs and projected response rates; and
- iii. Please provide a proposed payment schedule for all guaranteed and earned revenue.

VIII. Proposed Process and Timelines

Proposed timeline is tentative. Only the proposal due dates and the program commencement date shall be considered firm.

- a. Proposals due date – received by NAA **(2/6/17)**;
- b. Semi-finalists named and tentative presentation dates, if necessary **(2/13/17)**;
- c. Finalists and alternate named, contract negotiations commence **(2/17/17)**;
- d. Completion of negotiations and begin legal counsel review of draft contract **(2/24/17)**;
- e. Board meeting approval and execution of final contract **(3/3/17)**;
- f. Marketing plan and implementation planning (Timeline TBD – commencement of such planning may run parallel to contract negotiations and legal review if parties are comfortable as such); and
- g. Program implementation and formal launch date **(7/1/17 and 8/1/17 for Auto)**

INQUIRY AND SUBMISSION INFORMATION ON FINAL PAGE

CLARIFICATIONS AND QUESTIONS ON BIDDING

Please feel free to contact the NAA with preliminary questions and clarifications.

BID RESPONSE SUBMISSION INFORMATION

Submit three copies via mail or e-mail to:

Andrew Washburn
Associate Executive Director, Operations
Nebraska Alumni Association
Wick Alumni Center
1520 R Street
Lincoln, NE 68508

awashburn@huskeralum.org

402-472-4239 • 888-353-1874

Electronic and hard-copy submissions are both acceptable.

If mailing paper responses, please send no fewer than three copies.

PROPOSAL RESPONSE DUE: 2/6/17

PROGRAM ACTIVATION DATE: 7/1/17 and/or 8/1/17 (for auto)