



MIKE KEHOE
GOVERNOR

KELLEY J. OGLETREE
EXECUTIVE DIRECTOR
KELLEY.OGLETREE@PSTIF.MO.GOV

MEMO

TO: PSTIF Board of Trustees

FROM: Kelley J. Ogletree, Executive Director

DATE: July 14, 2026

SUBJECT: Contract Renewal

Action is needed on one contract. It is a renewal for our Fund Administration Services.

The annual contract with R&A Risk Professionals needs to be renewed for Fund Administration Services for FY27 so it can begin October 1, 2026. Renewal pricing is a 2.5% increase in all categories. This contract with R&A has three more renewal options; pricing is shown on attached.

We have seen significant savings since switching to R&A in October. The average monthly cost for Fund Administrative Services January – June 2026 was \$169,343. The average monthly cost for the same period last year with Williams & Company was \$227,052. That is a savings of about 25.5%, or more than \$692,000 over a 12-month period.

In addition to the cost savings, we have improved efficiency in several areas including the speed of cost approvals and claim payments.

To build on this success, I recommend a change in the pricing structure at renewal. Currently, claims services are billed on an hourly rate. I recommend we switch to a per-unit price based on the number of open claims and the number of claims closed in each month.

Tracking hourly is cumbersome for R&A staff and is very difficult for PSTIF executive staff to verify. Further, while I have no reason to think this is a problem currently, the pressure to produce billable hours can incentivize employees to “pad” their log or engage in “busy work.” I believe the recommended change will incentivize measurable progress on claims at no additional cost.

State Purchasing must approve this change. If they approve it as an option, I will present it in detail at the Board meeting for approval to be implemented at renewal. If the Board does not agree with the recommended change, the contract can be renewed without a change in the pricing structure.

Recommendation: Authorize staff to renew the R&A Risk Professionals fund administration services contract for FY2027 (as amended) to begin on October 1, 2026.



Petroleum Storage Tank Insurance Fund

P.O. BOX 836 • JEFFERSON CITY, MO 65102 • PHONE (573) 522-2352 • PSTIF@PSTIF.MO.GOV • PSTIF.MO.GOV

EXHIBIT C, PRICING PAGE

Insurance and Compliance Services and Claims Services – The vendor shall provide a firm, fixed price for the original contract period. The vendor shall provide a maximum price for each potential renewal period in accordance with the maximum percentage of increase stated in the table below for providing services in accordance with the provisions and requirements of this RFP. **The vendor shall understand and agree that each maximum price quoted for the potential renewal periods shall be calculated against the prior contract period's quoted maximum price.** All costs associated with providing the required services, excluding travel reimbursements for claims services and special projects, shall be included in the stated prices.

The vendor must provide pricing for all line items as required on the **Exhibit C, Pricing Page**. The vendor must provide firm, fixed pricing and must not enter "TBD" (to be determined) or similar comment in response to the line items identified herein. Failure to fully complete the required cost information may lead to a determination that the proposal is non-responsive. (UNSPSC: 84000000)

FY27

Line Item	Description	Original Contract Period <i>Firm Fixed Price</i>	First Renewal Period <i>Maximum Price</i>	Second Renewal Period <i>Maximum Price</i>	Third Renewal Period <i>Maximum Price</i>	Fourth Renewal Period <i>Maximum Price</i>
1	Insurance and Compliance Services	\$_19,000.00_ <i>Per Month, Not-to-Exceed \$19,200</i>	\$_19,475.00_ <i>Per Month, Not-to-Exceed 4.5% Increase</i>	\$_19,961.88_ <i>Per Month, Not-to-Exceed 4.5% Increase</i>	\$_20,560.73_ <i>Per Month, Not-to-Exceed 4.5% Increase</i>	\$_21,177.55_ <i>Per Month, Not-to-Exceed 4.5% Increase</i>
2	Declarations Page Issued	\$_150.00_ <i>Per Each, Not-to-Exceed \$152.50</i>	\$_153.75_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>	\$_157.59_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>	\$_162.32_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>	\$_167.19_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>
3	Extending Reporting Period Endorsement Issued	\$_88.00_ <i>Per Each, Not-to-Exceed \$89.25</i>	\$_90.20_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>	\$_92.46_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>	\$_95.23_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>	\$_98.09_ <i>Per Each, Not-to-Exceed 4.5% Increase</i>
	Personnel and/or Personnel Classification					
4	Insurance and Compliance Personnel for Special Projects	Management / Supervisor <i>Upper-Level Professional / Technical Personnel</i>	\$_153.75_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_157.59_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_162.32_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_167.19_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>
5		Technical Support <i>Mid-Level Professional / Technical Personnel</i>	\$_91.23_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_93.51_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_96.31_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_99.20_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>
6		Administrative Support <i>Administrative Support Personnel</i>	\$_48.18_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_49.38_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_50.86_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$_52.39_ <i>Per Hour, Not-to-Exceed 4.5% Increase</i>

EXHIBIT C, PRICING PAGE, CONTINUED**FY27**

Line Item	Description	Original Contract Period Firm Fixed Price	First Renewal Period Maximum Price	Second Renewal Period Maximum Price	Third Renewal Period Maximum Price	Fourth Renewal Period Maximum Price
7	Claims Services	\$ _ 32,000.00 <i>Per Month, Not-to-Exceed \$35,937</i>	\$ _ 32,800.00 <i>Per Month, Not-to-Exceed 4.5% Increase</i>	\$ _ 33,620.00 <i>Per Month, Not-to-Exceed 4.5% Increase</i>	\$ _ 34,628.60 <i>Per Month, Not-to-Exceed 4.5% Increase</i>	\$ _ 35,667.46 <i>Per Month, Not-to-Exceed 4.5% Increase</i>
8	Claims Manager(s) / Supervisor(s)	\$ _ 130.00 <i>Per Hour, Not-to-Exceed \$131.25</i>	\$ _ 133.25 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 136.58 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 140.68 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 144.90 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>
9	Claims Adjuster	\$ _ 110.00 <i>Per Hour, Not-to-Exceed \$124.50</i>	\$ _ 112.75 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 115.57 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 119.04 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 122.61 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>
10	Administrative Support Personnel	\$ _ 47.00 <i>Per Hour, Not-to-Exceed \$47.75</i>	\$ _ 48.18 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 49.38 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 50.86 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 52.39 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>
	Personnel and/or Personnel Classification					
11	Management / Supervisor <i>Upper-Level Professional / Technical Personnel</i>	\$ _ 152.00 <i>Per Hour, Not-to-Exceed \$152.25</i>	\$ _ 155.80 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 159.70 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 164.49 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 169.42 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>
12	Claims Services Personnel for Special Projects Technical Support <i>Mid-Level Professional / Technical Personnel</i>	\$ _ 124.00 <i>Per Hour, Not-to-Exceed \$124.50</i>	\$ _ 127.10 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 130.28 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 134.19 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 138.21 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>
13	Administrative Support <i>Administrative Support Personnel</i>	\$ _ 47.00 <i>Per Hour, Not-to-Exceed \$47.75</i>	\$ _ 48.18 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 49.38 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 50.86 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>	\$ _ 52.39 <i>Per Hour, Not-to-Exceed 4.5% Increase</i>

Prompt Payment Discount: The vendor is encouraged to propose price discounts for prompt payment that would benefit the State of Missouri. Any proposed discounts are conditional based upon the state agency's ability to meet the payment deadline. Therefore, any proposed prompt payment discounts cannot be considered in the cost proposal evaluation.

Vendor's Response: N/A