



June 7, 2019

**NOTICE OF INTENT TO AWARD
RFP 013-0-2019LC**

Group Basic Life, Accidental Death & Dismemberment and Group Short-Term Disability Plans

To All Offerors:

Please be advised that NNPS completed the evaluation of the proposal for Group Basic Life, Accidental Death & Dismemberment and Group Short-Term Disability Plans under Request for Proposal (RFP) #0013-0-2019LC. MetLife determined to be the most suitable provider for NNPS. MetLife's program will take effect on July 1, 2019.

Should you have any questions, please feel free to contact me at (757) 597-2820 or lisa.cumming@nn.k12.va.us

Sincerely,

Lisa A. Cumming

Lisa A. Cumming, CPPO, C.P.M., VCO
Director of Procurement
Newport News Public Schools



REQUEST FOR PROPOSALS

Newport News Public Schools
ISSUING OFFICE:

DATE: February 14, 2019

PURCHASING DEPARTMENT
12465 WARWICK BOULEVARD
NEWPORT NEWS, VA 23606-3041
TELEPHONE: (757) 591-4525
FAX: (757) 591-4634

Attention of Offeror is Directed To Section
2.2-4367 to 2.2-4377 Code of Virginia
(Ethics In Public Contracting)

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|---|
| RFP ITEM NO. 013-0-2019LC |
| PROCUREMENT OFFICER Lisa A. Cumming CPPO, C.P.M., VCO |
| CLOSING DATE April 28, 2019 |
| CLOSING TIME 2:00 PM |

SEALED PROPOSALS will be received in the Issuing Office above until Closing Date and Closing Time as specified in this solicitation including any addenda issued by this office. Newport News Public Schools is not responsible for late delivery by U.S. Postal mail or other couriers. All inquiries for information regarding this Request for Proposal are to be directed to the Issuing Office as defined herein.

COMMODITY: Group Basic Life, Accidental Death & Dismemberment and Group Short-term Disability Plans NIGP CODE: 953-52

PLEASE FILL IN OFFEROR'S NAME & ADDRESS IN THE SPACES PROVIDED BELOW:

THIS IS NOT AN ORDER

THE SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, HEREAFTER REFERRED TO AS NEWPORT NEWS PUBLIC SCHOOLS (NNPS), RESERVES THE RIGHT TO ACCEPT OR REJECT ANY AND ALL PROPOSALS IN WHOLE OR IN PART AND WAIVE ANY INFORMALITIES IN THE COMPETITIVE NEGOTIATIONS PROCESS. FURTHER, NNPS RESERVES THE RIGHT TO ENTER INTO ANY CONTRACT DEEMED TO BE IN ITS BEST INTEREST. THE ENTIRE CONTENTS OF THE REQUEST FOR PROPOSALS, ANY ADDENDA, OFFEROR'S PROPOSAL AND NEGOTIATED CHANGES SHALL BE INCORPORATED BY REFERENCE INTO ANY RESULTING CONTRACT.

NNPS DOES NOT DISCRIMINATE AGAINST FAITH-BASED ORGANIZATIONS.

DESCRIPTION OF GOODS/SERVICES

Group Basic Life, Accidental Death & Dismemberment and Group Short-term Disability Plans

ACKNOWLEDGE RECEIPT OF ADDENDUM: #1___ #2___ #3___ #4___ (Please Initial)

IN COMPLIANCE WITH THIS SOLICITATION AND TO ALL THE CONDITIONS IMPOSED HEREIN, THE UNDERSIGNED AGREES TO PERFORM ANY CONTRACT AWARDED AS A RESULT OF THIS SOLICITATION. THE FOLLOWING SECTION SHALL BE SIGNED BY AN AGENT AUTHORIZED TO BIND THE COMPANY. FAILURE TO EXECUTE THIS PORTION MAY RESULT IN PROPOSAL REJECTION.

Authorized Agent:

_____ Signature

_____ Type or Print Name

_____ Email Address

_____ Telephone Number

_____ Fax Number

_____ Company FEI/FIN#

ENCLOSURES

RFP #013-0-2019LC

ANTI-COLLUSION/NONDISCRIMINATION/DRUG-FREE WORKPLACE REQUIREMENTS

ANTI-COLLUSION CLAUSE:

IN THE PREPARATION AND SUBMISSION OF THIS PROPOSAL, SAID OFFEROR DID NOT EITHER DIRECTLY OR INDIRECTLY ENTER INTO ANY COMBINATION OR ARRANGEMENT WITH ANY PERSON, FIRM OR CORPORATION, OR ENTER INTO ANY AGREEMENT, PARTICIPATE IN ANY COLLUSION, OR OTHERWISE TAKE ANY ACTION IN VIOLATION OF THE SHERMAN ACT (15 U.S.C. SECTION 1), SECTIONS 59.1-9.1 THROUGH 59.1-9.17 OR SECTIONS 59.1-68.6 THROUGH 59.1-68.8 OF THE CODE OF VIRGINIA.

THE UNDERSIGNED OFFEROR HEREBY CERTIFIES THAT THIS AGREEMENT, OR ANY CLAIMS RESULTING THEREFROM, IS NOT THE RESULT OF, OR AFFECTED BY, ANY ACT OF COLLUSION WITH, OR ANY ACT OF, ANOTHER PERSON OR PERSONS, FIRM OR CORPORATION ENGAGED IN THE SAME LINE OF BUSINESS OR COMMERCE; AND, THAT NO PERSON ACTING FOR, OR EMPLOYED BY, NNPS HAS AN INTEREST IN, OR IS CONCERNED WITH, THIS PROPOSAL; AND, THAT NO PERSON OR PERSONS, FIRM OR CORPORATION OTHER THAN THE UNDERSIGNED, HAVE, OR ARE, INTERESTED IN THIS PROPOSAL.

DRUG-FREE WORKPLACE:

DURING THE PERFORMANCE OF THIS CONTRACT, THE SUCCESSFUL OFFEROR AGREES TO (I) PROVIDE A DRUG-FREE WORKPLACE FOR THE SUCCESSFUL OFFEROR'S EMPLOYEES; (II) POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, A STATEMENT NOTIFYING EMPLOYEES THAT THE UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, DISPENSATION, POSSESSION, OR USE OF A CONTROLLED SUBSTANCE OR MARIJUANA IS PROHIBITED IN THE SUCCESSFUL OFFEROR'S WORKPLACE AND SPECIFYING THE ACTIONS THAT WILL BE TAKEN AGAINST EMPLOYEES FOR VIOLATIONS OF SUCH PROHIBITION; (III) STATE IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE SUCCESSFUL OFFEROR THAT THE SUCCESSFUL OFFEROR MAINTAINS A DRUG-FREE WORKPLACE; AND (IV) INCLUDE THE PROVISIONS OF THE FOREGOING CLAUSES IN EVERY SUBCONTRACT OR PURCHASE ORDER OF OVER \$10,000, SO THAT THE PROVISIONS WILL BE BINDING UPON EACH SUSUCCESSFUL OFFEROR OR VENDOR.

FOR THE PURPOSE OF THIS SECTION, "DRUG-FREE WORKPLACE" MEANS A SITE FOR THE PERFORMANCE OR WORK DONE IN CONNECTION WITH A SPECIFIC CONTRACT AWARDED TO A SUCCESSFUL OFFEROR IN ACCORDANCE WITH FEDERAL LAW, THE EMPLOYEES OF WHOM ARE PROHIBITED FROM ENGAGING IN THE UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, DISPENSATION, POSSESSION OR USE OF ANY CONTROLLED SUBSTANCE OR MARIJUANA DURING THE PERFORMANCE OF THE CONTRACT.

EMPLOYMENT DISCRIMINATION BY THE SUCESSFUL OFFEROR SHALL BE PROHIBITED:

1. DURING THE PERFORMANCE OF THIS CONTRACT, THE SUCCESSFUL OFFEROR AGREES AS FOLLOWS:
 - a. THE OFFEROR, SHALL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF RACE, RELIGION, COLOR, SEX, NATIONAL ORIGIN, AGE, DISABILITY, OR ANY OTHER BASIS PROHIBITED BY STATE LAW RELATING TO DISCRIMINATION IN EMPLOYMENT, EXCEPT WHERE THERE IS A BONA FIDE OCCUPATIONAL QUALIFICATION REASONABLY NECESSARY TO THE NORMAL OPERATION OF THE SUCCESSFUL OFFEROR. THE SUCCESSFUL OFFEROR AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES SETTING FORTH THE PROVISIONS OF THIS NONDISCRIMINATION CLAUSE.
 - b. THE SUCCESSFUL OFFEROR, IN ALL SOLICITATIONS OR ADVERTISEMENTS FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE SUCCESSFUL OFFEROR, SHALL STATE THAT SUCH SUCCESSFUL OFFEROR IS AN EQUAL OPPORTUNITY EMPLOYER.
 - c. NOTICES, ADVERTISEMENTS, AND SOLICITATIONS PLACED IN ACCORDANCE WITH FEDERAL LAW, RULE OR REGULATION SHALL BE DEEMED SUFFICIENT FOR THE PURPOSE OF MEETING THE REQUIREMENTS OF THIS SECTION.
2. THE SUCCESSFUL OFFEROR WILL INCLUDE THE PROVISIONS OF THE FOREGOING PARAGRAPHS A, B, AND C IN EVERY SUBCONTRACT OR PURCHASE ORDER OF OVER \$10,000, SO THAT THE PROVISIONS WILL BE BINDING UPON EACH SUBCONTRACTOR OR VENDOR.

Name and Address of OFFEROR: _____ Date: _____ Authorized Signature _____
 Printed Name: _____ Title: _____
 Phone Number: _____ Fax Number: _____
 Email Address: _____

Federal Tax Identification Number/Social Security Number: _____

Is Offeror a "minority" business? Yes No If yes, please indicate the "minority" classification below:
 African American Hispanic American American Indian Eskimo Asian American Aleut Other; Please Explain:
 Is Offeror Woman Owned? Yes No
 Is Offeror a Small Business? Yes No
 Is Offeror a Faith-Based Organization? Yes No

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I. PURPOSE

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals from highly qualified firms to establish a contract for group basic life, accidental death and dismemberment (AD&D), and group short-term disability for certain employees and retirees of Newport News Public Schools.

II. BACKGROUND

Based on the Commonwealth of Virginia Department of Education's (DOE) 2018-2019 Fall Membership Report, NNPS is the ninth largest school division in the Commonwealth with approximately 28,652 students. NNPS is an urban school system educating children in 4 early childhood centers, 26 elementary schools, 10 middle schools, and 6 high schools. NNPS also provides programs for at-risk students in addition to special education programs. A listing of NNPS and its locations may be accessed via NNPS' official web site at <http://sbo.nn.k12.va.us/schools>. NNPS employees approximately 5000 employees in a variety of educational, managerial, professional, technical, clerical, service and maintenance positions.

Newport News Public Schools sponsors a non-contributory group basic life and AD&D plan and a group short-term disability plan for certain employees who are active employees of Newport News Public Schools. A separate group retiree life and AD&D plan is offered to a group of retirees not covered under the Virginia Retirement System (VRS). This fully-insured program is currently underwritten by The Hartford. There are currently 483 active employees and 564 retirees covered for basic life and AD&D and 2,330 active employees covered under the group short-term disability plan. It is the intent of this RFP to contract with a carrier to offer all three lines of coverage at the current benefit level for these employees.

In addition, Newport News Public Schools is interested in receiving rates to extend these plans to certain other employees as described in this RFP in **Section IV.I. Program Specifications**.

III. STATEMENT OF NEEDS

A. General Requirements:

Contractor must:

1. Be licensed to do business in the Commonwealth of Virginia.
2. Ensure life, AD&D, and short-term disability claims are managed effectively and efficiently.
3. Provide high quality, efficient program administration and services, including but not limited to:
 - a. Maintaining accurate payment records.
 - b. Providing state-of-the-art data tracking and claims payment services.
 - c. Providing plan utilization, claims, enrollment, and premium data to the Schools on a quarterly basis.
 - d. Maintaining separate accounts or subgroups as required by the Schools.
4. Provide administrative support services that simplify the work input and administrative time of Schools' benefits staff.
5. Maintain a local or toll-free customer service number for covered employees and Schools' benefits staff.
6. Designate a single point of contact (account manager) responsible for resolving issues, answering claims, administrative, and billing inquiries, and expediting services related to the overall performance of the

contract.

7. Provide an account team chart which lists contacts in relevant, functional areas (with phone numbers, email addresses, departments, and titles) that will be updated as changes occur.
8. Provide specific performance guarantees that include financial penalties for non-performance.
9. Meet with the Schools within fifteen (15) days after the contract award date to review the life, AD&D, and short-term disability programs, to present the proposed employee communication material, and to jointly establish a preliminary implementation plan and schedule.
10. Work with the benefits staff of the Schools to develop employee communications materials.
11. Work with the benefits staff of the Schools to develop a benefits booklet (or booklets) for employees to include a summary of benefits, plan limitations, exclusions, and claims appeal procedures. This booklet proof must be provided to the Schools on a timely basis, but not later than May 1, 2019. The Schools shall review and approve the booklet(s) prior to distribution. Booklets must be reprinted if changes are required at no additional cost to the Schools.
12. Provide the Schools with contractual documents necessary to this coverage, no later than June 1, 2019.
13. Provide a detailed renewal underwriting analysis each January 1 (or earlier if requested by the Schools) for the upcoming January 1 renewal. Detailed utilization data comparing current and prior years (if applicable) must be provided.
14. The Offeror shall agree to an initial contract period of July 1, 2019 through June 30, 2020 with the option to renew for four (4) additional one-year terms, contingent upon annual renewal rates and the Schools' option to cancel and solicit proposals. The contract can only be terminated by the Offeror for non-payment.

B. Expectations:

1. Timely responses to or acknowledgment of e-mail and phone inquiries within 24 hours.
2. Must have flexibility to respond to requests and inquiries on very short notice
3. Must be able to provide supporting data and trends for recommendations. NNPS is data driven; hard data should be included with the recommendations.
4. Will take a proactive approach reaching out to appropriate Benefits staff.

IV. SPECIAL INSTRUCTIONS TO THE OFFEROR

A. Definitions:

Issuing Office:

Wherever used in this Request for Proposal, Issuing Office will be:

Lisa Cumming, CPPO, C.P.M., VCO

Director of Procurement

Newport News Public Schools

12465 Warwick Boulevard

Newport News, VA 23606-3041

Phone: (757) 597-2820

Fax: (757) 591-4593

Email: lisa.cumming@nn.k12.va.us

NNPS Contract Administrator:
Wherever used in this Request for Proposal and for purposes of any notices under this contract, the NNPS Contract Administrator will be:
JoAnn Armstrong, Benefits Supervisor
Newport News Public Schools
Newport News, VA 23606-3041
Phone: (757) 881-5061 ext. 11112
Email: joann.armstrong@nn.k12.va.us

B. Request for Electronic Copies of RFP Data

Attachments are available electronically that will provide the information needed to submit a proposal. These attachments include census data, plan experience, current plan documents, and the Cost Exhibit template. This information will be made available by contacting NNPS' consultant for this RFP, Claire Harlin, with USI Insurance Services at claire.harlin@usi.com.

C. Contact with NNPS Staff, Representatives, and/or Agents:

Direct contact with NNPS staff, representatives, and/or agents other than Purchasing Department staff on the subject of this RFP or any subject related to this RFP is expressly prohibited except with the prior knowledge and permission of the Purchasing Agent.

D. Offerors of Record:

Offerors receiving a copy of this RFP from a source other than the Issuing Office via www.eva.virginia.gov must contact the Issuing Office and provide Offeror's name, address, contact person, telephone and fax number, and the RFP Item Number. Offeror will be added to the Planholders' list and will receive notification of any addenda to the RFP.

E. Questions:

Offerors must submit questions regarding the Request For Proposal in writing to the Issuing Office at lisa.cumming@nn.k12.va.us no later than **4:30 PM EST, February 20, 2019**. Necessary replies will be issued to all Offerors of record as addenda that shall become part of the contract documents. Oral instructions do not form a part of the Proposal documents. Offeror is responsible for checking the www.eva.virginia.gov web site, NNPS Purchasing webpage, or contacting the Issuing Office within 48 hours prior to Proposal closing to secure any addenda issued for this RFP.

F. Changes or Modifications:

Changes or modifications to this Request for Proposals made prior to the date and time of closing will be addressed by addenda from the Issuing Office. Offerors are to acknowledge receipt of addenda in the space provided on the cover page of this Request for Proposal. Oral communications are not a part of the Proposal documents. This RFP and any addenda shall be incorporated, by reference, into any resulting contract.

G. RFP Closing:

Offeror shall ensure its Proposal is time stamped by the Issuing Office no later than the Closing Date and Time shown on the cover page of this Information for Proposal. Proposals received after the specified date and time (time stamped 11:01 A.M. or later) will not be considered and will be returned to the Offeror unopened.

H. Proposal Submittal Requirements:

1. Each Proposal submission shall be submitted to the Issuing Office and shall include the following documents:
 - a. The cover page of this Request for Proposal, which will contain:
 - 1) Original signature of an agent authorized to bind the company;

- 2) Requested contact information;
- 3) Company FEI/TIN number; and,
- 4) Acknowledgment of any addenda on page one (1);
- b. Completed and signed anticollusion/nondiscrimination clauses on page 2;
2. Offerors are encouraged to submit their Proposals on recycled paper and to use double-sided copying.
3. Proposals must be submitted utilizing the following requirements:
 - a. Offerors shall submit proposals in a sealed envelope or package, and label the envelope or package with the Request for Proposal's item number and the name and address of the Offeror. **Proposals received by telephone, telegraph, facsimile, or any other means of electronic transfer shall not be accepted.**
 - b. Submit the original, six (6) hard copies and one (1) electronic copy (CD or USB drive) of the proposal to the Issuing Office. **Proposals must be sealed and received and date time stamped by the Issuing Office prior to the due date and time specified in this RFP.**

- 1) An additional hard copy (1) and an additional electronic copy (1) must be submitted to:

CLAIRE HARLIN
 Account Executive
 USI Insurance Services
 4840 Cox Road, Glen Allen, VA 23060
 P 804.729.9831 | C 804.661.6168
 Claire.harlin@usi.com | www.usi.com.

- 2) The CD must be a:
 - a) "standard" compact disk (CD) [using 780 nm wavelength laser diode light]; or a digital video disk or "digital versatile disc" (DVD) [using 650 nm wavelength laser diode light - Note: 'Blue-ray™ disks are not acceptable]. The media shall be capable of being read in a standard personal computer (PC) CD or DVD-drive. The media shall use a "standard" CD-file system format [ISO 9660], be virus-free, and may contain PC-files in any of the following formats:
 - b) Adobe(c) Personal-Document-Files (pdf), version 9.0, or greater
 - c) Microsoft(c) Word 'document' files (doc), version 12, or greater (Word 2007)
 - d) Microsoft(c) Excel 'spreadsheet' files (xls), version 12, or greater (Excel 2007)
 - e) Microsoft (c) PowerPoint 'presentation' files (ppt) , version 12, or greater (PowerPoint 2007)
 - f) American Standard Code for Information Interchange (ASCII) text (txt) (e.g. Microsoft(c) Notepad, any version).
 - g) Tagged Information Format (tif or TIFF) files
4. Include a statement setting forth the basis for protection of proprietary information, if any, as detailed in the "Proprietary Information/Disclosure" section.
5. Proposals are to be organized in the following tabs:
 - a. Tab 1 – Executive Summary (to include Experience)
 - b. Tab 2 – Capabilities and Skills
 - c. Tab 3 – Services to be Provided
 - d. Tab 4 – Price Schedule
 - e. Tab 5 - Exceptions
 - f. Tab 6 – Proposed Plan Design and Sample Contracts

I. Program Specifications

This section outlines the specifications for the requested plans including the proposed benefit design and funding arrangements.

1. Requested Plan Design:

- Proposals are requested for plans which will match or exceed the current basic life, AD&D, and short-term disability benefits. A summary of the current plan of benefits and eligibility information has been included in **Attachment A – Cost Exhibit**.
- Plan documents of each plan are available electronically as instructed in **Section IV.B**.
- Plan experience is available electronically as instructed in **Section IV.B**.
- Descriptions of each plan offered must be included in **TAB VI** of your proposal.
- A copy of your proposed group life and AD&D contract and a copy of your proposed group short-term disability contract must be included in **Tab VI**.
- Clearly note any deviations to the requested plans.

2. Covered Groups:

There are five separate censuses provided with this RFP. Below is a description of each group and the coverage that applies. The Offeror is also asked to provide the pricing for adding short-term disability for the first time for two of these groups. A census is available for each group as instructed in Section IV.B.

- Active NonVRS Life non-covered STD – This group is covered under the City NNERF retirement plan. They are covered for Basic Life and AD&D only under the current Hartford plan. **As an option, provide the cost to add this group to the short-term disability coverage.** The census for this group is included as **Attachment B – Census 1.**
- Active VRS 5 code non-covered STD – This group is not currently covered under this program. They receive their Basic Life and AD&D benefits through VRS and are not currently eligible for short-term disability. **As an option, provide the cost to add this group to the short-term disability coverage.** The census for this group is included as **Attachment C – Census 2.**
- Active VRS 4 Code STD – This group is covered under the VRS retirement plan as a Plan 1 or Plan 2 retiree. They are only covered for short-term disability under the current Hartford plan. They receive their Basic Life and AD&D benefits through VRS. The census for this group is included as **Attachment D – Census 3.**
- Retiree Life – This group is covered for Basic Life insurance under the current Hartford based on their retirement date (before or after 7/1/1998). The census for this group is included as **Attachment E – Census 4 and Attachment F – Census 5.**

3. Price Quotations

a. General Information and Requirements

- (1) Price quotations should be submitted **NET OF COMMISSIONS.**
- (2) Current experience and current plan documents are available electronically. See instructions in Section IV.B. for how to securely obtain this information.
- (3) The cost of the program will be entirely paid by Newport News Public Schools. Employees will not contribute toward the cost of coverage under any of the plans.

b. Fee Guarantees

All rates must be guaranteed for a minimum of twelve (12) months. Multi-year guarantees are requested and will be an important consideration in the evaluation process. All guarantees should be included with your price quotation.

c. Funding Arrangement

Fully-insured rates are requested for the Group Basic Life, Group AD&D, and Group Short-term Disability plans.

d. Underwriting Assumptions and Plan Deviations

All underwriting assumptions and deviations from the requested benefit design or funding arrangements shall be submitted as part of your proposal to document any assumptions, special criteria or requirements, or variances from the requested plans and funding.

e. Cost Exhibit

All offerors must submit proposed cost by fully completing **Attachment A – Cost Exhibit.**

J. Evaluation of Proposals:

1. After the proposal opening, NNPS will select for further consideration two or more Offerors deemed to be fully qualified and best suited among those submitting proposals based on Offerors' responses to the information requested in this RFP.
2. The following criteria will be used in the evaluation process:
 - a. Offeror's **experience (25%)** in providing the services requested, including organization size and time in business

- b. Offeror's **capability and skills (25%)** to perform the services required, including qualifications of staff, financial position, previous experience in benefit consulting, management of employee benefits, risk management experience, and design/evaluation of insurance plans.;
 - c. **Services to be provided (20%)** by the Offeror, including those services specified in the Scope of Work section of this RFP; and
 - d. **Price (30%)**.
3. Based on the initial evaluation, NNPS may request the selected Offerors to make oral presentations. Thereafter, NNPS will conduct negotiations with each of the selected short-listed Offerors. Individuals representing the Offeror during negotiations shall have the authority to negotiate and contractually bind the company to a contract.
 4. After negotiations are completed, NNPS will select the Offeror who, in NNPS's opinion, has made the best proposal and shall award the contract to that Offeror (referred to in this RFP as the Successful Offeror). Should NNPS determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror.
 5. NNPS is not required to furnish a statement of the reason(s) why a proposal was not deemed to be the most advantageous.

K. Presentation/Demonstration:

If in NNPS's opinion, vendor presentations or demonstrations of the Offeror's proposed system's features and capabilities are warranted, NNPS will notify the appropriate vendors. Such presentation or demonstration will be at an NNPS site at a date and time mutually agreed to between NNPS and Offeror and will be at the Offeror's expense.

L. Preparation of Proposals:

In presenting their proposals, Offerors are encouraged to be thorough in addressing the *Statement of Needs*, the *Preparation of Proposal* guidelines, and the *Proposal Submittal Requirements* as outlined in this RFP.

To facilitate the NNPS's evaluation of Offeror's proposal, Offeror is to number all pages of its proposal and provide tabs listing the evaluation criteria indicated above.

Offerors should be completely responsive to this RFP, be able to conform to the terms and conditions provided, herein, and provide responses to the evaluation criteria outlined, below. Offeror should not incorporate its standard contract document into its proposal, by reference or in full text, without listing each exception it represents to the terms and conditions of this RFP, as described in the Exceptions/Alternatives section of this paragraph.

Offerors are encouraged to provide thorough and detailed information regarding the product and services being offered, based on the details provided, below.

To facilitate the NNPS's evaluation of Offeror's proposal, Offeror must number all pages of its proposal and provide tabs as indicated above. Offeror must fully address each of the following items and submit proposals using the following format:

1. *Experience* - Provide a concise description of all work experiences as they relate to the scope of work outlined herein. Said description should include, but not be limited to:
 - a. Offeror's established experience record in providing comparable services to organizations similar to NNPS.
 - b. Number and types of customers the Offeror has served with comparable services.

- c. Number of years Offeror has been providing these types of services.
 - d. A minimum of five (5) references for which Offeror has completed services comparable to those described in this RFP. Include references for work performed in an environment comparable to NNPS's. For each reference, detail:
 - Name of firm;
 - Address of firm;
 - Name, title, address, e-mail address, and phone and fax number of a contact for the firm;
 - Number of years Offeror has served the firm; and
 - Brief summary of scope of services provided.
 - e. Other available documentation to verify Offeror's experience.
 - f. A statement detailing why the Offeror is the best candidate to provide the NNPS with the services requested in this RFP.
2. *Capability and skill* - Describe the qualifications and skills of the organization to provide the services. Said description should provide, but not be limited to, the following information:
- a. Background information about the organization, e.g., philosophy, ownership, size, facilities and locations, etc.
 - b. Offeror's management structure of the firm -- e.g. organization chart of the firm, project team, etc.
 - c. Size and location of the office that will serve the NNPS;
 - d. Offeror's qualifications to perform the services, including all resources available to Offeror for the performance of the contract.
 - e. Qualifications and resumes of the assigned NNPS account team and other employees who will be managing and performing the services under this contract.
 - f. Name, title, address, e-mail address, phone and fax numbers, and work hours of the Offeror's Contract Representative for the following functions:
 - Contact for prompt contract administration upon award of the contract;
 - Contact during the period of evaluation;
 - Authorized agent to accept any notices provided for in this contract.
 - g. Indicate the type of organization you represent, i.e. individual, partnership or corporation. If the Offeror is a corporation, list the names of the President, Vice-President, Secretary, Treasurer and all principals. If the Offeror is a partnership, include the names of all principals or partners.
 - h. A detailed history of all mergers or acquisitions.
 - i. A copy of the certificate verifying the firm is registered to do business in the Commonwealth of Virginia.
 - j. A detailed list of contractor licenses held, including license class and number.
 - k. Offeror's current financial condition. Provide a copy of offeror's Dunn and Brad Street financial report and any other supporting documentation, such as audited annual reports for the past three (3) years. Include any financial ratings held by the firm.
 - l. If Offeror intends to subcontract any part of the work under this contract, indicate services to be subcontracted and subcontractor(s) to provide said services.
3. *Services to be Provided* - Provide a detailed description of the services to be provided under this contract. Said description must address, at a minimum:
- a. An introduction - An overview of Offeror's understanding of the scope of work and services to be provided.
 - b. Best practice approaches to providing services to the NNPS that enhance efficiency and effectiveness. Innovative solutions will be considered by the NNPS.
 - c. EACH of the General Requirements and Specific Requirements set forth under the Scope of Work specified in this RFP.
 - d. A detail of any assistance, equipment, or other items the Offeror will require the NNPS to furnish under this contract.

- e. A statement explaining why the Offeror's proposed solution would be the most advantageous to the NNPS.
 - f. Describe the one attribute that places the Offeror ahead of the competition.
4. Price
- a. Submit with the proposal a Pricing Sheet that provides a cost breakdown showing the maximum guaranteed cost of the project, per year.
 - b. Offeror's prices will be subject to negotiations.
 - c. After negotiations and award of this contract, Successful Offeror's pricing for the services provided under this contract shall be a firm fixed-price during the term of the contract and any extensions.
5. Exceptions/Alternatives - Detail any exceptions taken to the Scope of Work and Terms and Conditions sections of this RFP. For each exception, specify the RFP page number, section number, and the exception taken. Offeror shall not incorporate its standard contract document into its proposal, by reference or in full text, without listing each exception it represents to the terms and conditions of this RFP, as described in the Exceptions/Alternatives section of this RFP.

M. Cost of Responding:

This solicitation does not commit NNPS to pay any costs incurred by the Offeror or any other party in the preparation and/or submission of proposals or in making necessary studies or designs for the preparation thereof, nor is NNPS obligated to procure or contract for such services.

V. GENERAL TERMS AND CONDITIONS

A. Contract Document:

This RFP, its addenda, Successful Offeror's proposal, any additional information requested, and negotiated changes and will constitute the final contract hereafter referred to as this "contract". These documents will be incorporated by reference into the NNPS purchase order awarding this contract. This contract shall be governed by the contract documents in the following order of precedence:

This RFP document;

Any negotiated changes to the foregoing documents; and

Offeror's proposal

B. Proposal Binding For One-Hundred Twenty (120) Days:

Offeror agrees that its Proposal shall be binding and may not be withdrawn for a period of one-hundred (120) calendar days after the scheduled closing date of this Request For Proposals.

C. Proprietary Information/Non-Disclosure:

Offeror is advised that the Virginia Public Procurement Act (Section 2.2-4342, Code of Virginia, 1950 as amended) shall govern public inspection of all records submitted by Offeror. Specifically, if Offeror seeks to protect any proprietary data or materials, pursuant to Section 2.2-4342, Offeror shall:

1. Invoke the protections of this section prior to or upon submission of the data or other materials,
2. Provide a statement that identifies the data or other materials to be protected and that states the reasons why protection is necessary.
3. Submit trade secrets or other proprietary information under separate cover in a sealed envelope clearly marked "**PROPRIETARY**".
4. Information submitted that does not meet the above requirements will be considered public information in accordance with State statutes.
5. NNPS reserves the right to submit such information to the NNPS attorney for concurrence of the Offeror's claim that it is in fact proprietary.
6. References to the proprietary information may be made within the body of the Proposal; however, all information contained within the body of the Proposal shall be public information in accordance with State statutes.
7. Trade secrets or proprietary information submitted by an Offeror in conjunction with this RFP is not subject to public disclosure under the Virginia Freedom of Information Act (VFOIA).

8. Information submitted that does not meet the above requirements will be considered public information in accordance with the VFOIA.
 9. An all-inclusive statement that the entire Proposal is proprietary is unacceptable. A statement that Offeror's costs and/or Proposal pricing are to be protected is unacceptable. Offeror will be requested to remove any such statement(s) in order to be eligible for further consideration.
- D. Contract Modification(s):**
After award, any and all modifications to this contract shall be mutually agreed to by both parties, in writing, and authorized by the NNPS Purchasing Agent or his designee via issuance of a change order (purchase order).
- E. Offeror Obligation:**
Offeror shall carefully examine the contents of this Request for Proposals and any subsequent addenda. Failure to do so shall not relieve the Successful Offeror of its obligation to fulfill the requirements of any contract awarded as a result of this RFP.
- F. Conditions of Work:**
Offeror shall inform itself fully of the conditions relating to services required herein. Failure to do so will not relieve a Successful Offeror of the obligation to furnish all goods and/or services necessary to carry out the provisions of this contract
- G. Prime Contractor:**
If in its performance of this contract, Successful Offeror supplies goods or services by or through another party or subcontractor, Successful Offeror agrees that:
1. Successful Offeror shall act as the prime contractor for the goods and services to be provided under contract and shall be the sole point of contact with regard to all obligations under this contract.
 2. Successful Offeror represents and warrants that Successful Offeror has made third parties or subcontractors aware of the proposed use and disposition of the other party's products or services, and that such other party has agreed in writing that it has no objection and that NNPS is not liable to such third parties or subcontractors for any work performed under this contract.
 3. The use of subcontractors and the work they perform must receive the prior written approval of NNPS. NNPS will designate a Contract Administrator to approve such work.
 4. Successful Offeror shall be solely responsible for all work performed and materials provided by subcontractors.
 5. Successful Offeror shall be responsible for the liability of subcontractors for the types and limits required of the Successful Offeror under this contract.
- H. Subcontractors:**
Contractor's use of subcontractors and the work they are to perform must receive written approval from the Contract Administrator at least ten (10) calendar days prior to the work being performed. Contractor shall be solely responsible for all work performed and materials provided by subcontractors. Contractor shall be responsible for the liability of subcontractors for the types and limits required of the Contractor.
- I. Non-Assignment:**
Successful Offeror shall not assign its rights and duties under this Agreement without the prior written consent of the NNPS Contract Administrator.
- J. Antitrust:**
Any perceived anti-trust violation will be reported to the State Attorney General for possible enforcement of anti-trust laws.
- K. Anticollusion/Nondiscrimination Requirements Form:**
The attached "Anticollusion/Nondiscrimination Requirements" form, on page 2 of this RFP, shall be executed by Offeror and is to be submitted with Offeror's Proposal. The requirements set forth on said form shall be considered to be binding terms and conditions in any contract resulting from this RFP. A contract will not be awarded to an Offeror who has not signed the anticollusion/nondiscrimination statement.
- L. Hold Harmless/Indemnification:**
It is understood and agreed that Successful Offeror hereby assumes the entire responsibility and liability for any and all material damages to persons or property caused by or resulting from or arising out of any act or omission on the part of Successful Offeror, its subcontractors, agents or employees under or in connection

with this Contract or the performance or failure to perform any work required by this Contract. Successful Offeror agrees to indemnify and hold harmless NNPS and its agents, volunteers, servants, employees and officials from and against any and all claims, losses, or expenses, including reasonable attorney's fees and litigation expenses suffered by any indemnified party or entity as the result of claims or suits due to, arising out of or in connection with (a) any and all such damages, real or alleged, (b) the violation of any law applicable to this Contract, and (c) the performance of the work by Successful Offeror or those for whom Successful Offeror is legally liable. Upon written demand by NNPS, Successful Offeror shall assume and defend at Successful Offeror's sole expense any and all such suits or defense of claims made against NNPS, its agents, volunteers, servants, employees or officials.

M. Notices:

All notices, requests, demands, and elections under this contract, other than routine operational communications, shall be in writing and shall be deemed to have been duly given on the date when hand-delivered, or on the date of the confirmed facsimile transmission, or on the date received when delivered by courier that has a reliable system for tracking delivery, or six (6) NNPS business days after the date of mailing when mailed by United States mail, registered or certified mail, return receipt requested, postage prepaid. All notices shall be addressed to the following individuals:

To NNPS: NNPS Contract Administrator as designated in this RFP.

To Successful Offeror: Successful Offeror's Contract Administrator as defined in Successful Offeror's Proposal.

Either party may from time to time change the individual(s) to receive notices and/or its address for notification purposes by giving the other party written notice as provided above.

N. Non-Performance:

1. Delivery Delays: NNPS reserves the right to procure goods and/or services to be provided under this contract from other sources in the event Successful Offeror fails to deliver such goods and/or service deliverables in accordance with delivery dates and time frames set forth in this contract.
2. Unacceptable Deliveries (Rejections): Upon notification by NNPS that goods and/or service deliverables provided by the Successful Offeror under this contract are damaged and/or not of the quality specified by NNPS, such goods and/or service deliverables will be rejected. Successful Offeror shall replace such rejected goods and/or service deliverables immediately or within a reasonable time as determined by NNPS.
3. Successful Offeror shall remove all rejected materials, equipment or supplies from the premises of NNPS within ten (10) days of notification. Rejected goods and/or service deliverables not removed from NNPS' premises within ten (10) days will be regarded as abandoned, shall become the property of NNPS, and NNPS shall have the right to dispose of such items.
4. NNPS reserves the right to authorize immediate purchase from other sources against rejections.
5. Liability: Successful Offeror shall be liable to NNPS for all costs incurred by NNPS as a result of Successful Offeror's failure to perform in accordance with the contract. Successful Offeror's liability shall include, but not be limited to:
 - a. Damages and other delay costs, to include costs to procure goods/services from alternate suppliers.
 - b. Increased costs of performance, such as extended overhead and increased performance costs resulting from performance delays caused by Successful Offeror and/or rejections of Successful Offeror's goods and/or service deliverables.
 - c. Warranty and rework costs, liability to third party, excess costs, attorney's fees and related costs incurred by NNPS due to non-responsive performance of Successful Offeror.

O. Termination Without Cause:

NNPS may at any time, and for any reason, terminate this Contract by written notice to Successful Offeror specifying the termination date, which shall be not less than thirty (30) days from the date such notice is mailed. Notice shall be given to Successful Offeror by certified mail/return receipt requested, addressed to the Successful Offeror's Contract Administrator. In the event of such termination, Successful Offeror shall be paid such amount as shall compensate Successful Offeror for the work satisfactorily completed, and accepted by NNPS, at the time of termination. If the event NNPS terminates this Contract, Successful Offeror shall withdraw its personnel and equipment, cease performance of any further work under this Contract, and turn over to NNPS any work completed or in process for which payment has been made.

P. Termination with Cause/Breach:

In the event that Successful Offeror shall for any reason or through any cause be in default of the terms of this Contract, NNPS may give Successful Offeror written notice of such default by certified mail/return receipt requested, addressed to the Successful Offeror's Contract Administrator. Unless otherwise provided, Successful Offeror shall have ten (10) days from the date such notice is mailed in which to cure the default. Upon failure of the Successful Offeror to cure the default, NNPS may immediately cancel and terminate this Contract as of the mailing date of the default notice. Upon termination, Successful Offeror shall withdraw its personnel and equipment, cease performance of any further work under the Contract, and turn over to NNPS any work in process for which payment has been made. In the event of violations of law, safety or health standards and regulations, this Contract may be immediately cancelled and terminated by NNPS and provisions herein with respect to opportunity to cure default shall not be applicable.

Q. Breach of Contract:

Successful Offeror shall be deemed in breach of this contract if the Successful Offeror:

Fails to comply with any terms of this contract;

Fails to cure such noncompliance within ten (10) calendar days from the date of the NNPS written notice or such other time frame, greater than ten (10) calendar days, specified by the NNPS Contract Administrator in the notice.

Fails to submit a written response to NNPS's notification of noncompliance within ten (10) calendar days after the date of the NNPS notice.

All notices under this contract shall be submitted, either by fax or certified mail, return-receipt requested, to the respective contract administrator. Successful Offeror shall not be in breach of this contract as long as its default was due to causes beyond the reasonable control of and occurred without any fault or negligence on the part of both the Successful Offeror and its subcontractors. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of NNPS in its sovereign capacity, fires, floods, epidemics, strikes, freight embargoes, and unusually severe catastrophic weather such as hurricanes.

R. Applicable Law:

This Contract shall be deemed to be a Virginia contract and shall be governed as to all matters whether of validity, interpretations, obligations, performance or otherwise exclusively by the laws of the Commonwealth of Virginia, and all questions arising with respect thereto shall be determined in accordance with such laws. Regardless of where actually delivered and accepted, this Contract shall be deemed to have been delivered and accepted by the parties in the Commonwealth of Virginia.

S. Compliance with All Laws:

Successful Offeror shall comply with all federal, state and local statutes, ordinances, and regulations now in effect or hereafter adopted, in the performance of this contract. Successful Offeror represents that it possesses all necessary licenses and permits required to conduct its business and/or will acquire any additional licenses and permits necessary for performance of this contract prior to the initiation of work. If the Successful Offeror is a corporation, Successful Offeror further expressly represents that it is a corporation of good standing in the Commonwealth of Virginia and will remain in good standing throughout the term of the contract and any extensions. All City of Newport News business license, personal property, real estate and other applicable tax requirements shall be met by Successful Offeror.

T. Venue:

Venue shall be in the Circuit Court of the City of Newport News, Virginia, and the United States District Court for the Eastern District of Virginia, Norfolk Division, compliant with applicable laws and regulations, as deemed appropriate by NNPS.

U. Severability:

If any provision of this contract is found by any court of competent jurisdiction to be invalid or unenforceable, the invalidity of such provision shall not affect the other provisions of this contract, and all other provisions of this contract shall remain in full force and effect.

V. Non-Appropriation of Funds:

It is understood and agreed between the parties herein that NNPS shall be bound hereunder only to the extent that the funds shall have been appropriated. In the event no funds or insufficient funds are

appropriated, NNPS shall immediately notify the Successful Offeror of such occurrence and this Contract shall terminate on the last day funds are available without penalty or expense to NNPS of any kind whatsoever.

W. Tax Exemption:

NNPS is exempt from federal excise tax and from all State and local taxes. Successful Offeror shall not include such taxes in any invoices under this agreement. Upon request, NNPS will furnish the Successful Offeror with tax exemption certificates or the NNPS tax exempt number.

X. Vendor's Invoices:

Successful Offeror shall submit to NNPS all invoices promptly upon completion of the requirements for installation, delivery, and acceptance of the Products and Services required under this contract. Invoices shall not include any costs other than those identified in the executed NNPS purchase order awarding this contract or any subsequent change orders issued by the NNPS Purchasing Division. All shipping costs are the Successful Offeror's responsibility, except to the extent such charges are identified in the executed NNPS purchase order or change orders. Successful Offeror's invoices shall provide at a minimum:

- Type and description of the Product or Service installed, delivered and accepted;
- Serial numbers, if any;
- Quantity delivered;
- Charge for each item;
- Extended total (unit costs x quantity);
- This RFP number and the NNPS Purchase Order Number.

Y. Contractual Disputes:

Any dispute concerning a question of fact as a result of a contract with NNPS which is not disposed of by agreement shall be decided by the NNPS Purchasing Agent, who shall reduce his decision to writing and mail or otherwise forward a copy thereof to the contractor within thirty (30) days. The decision of the NNPS Purchasing Agent shall be final and conclusive unless the contractor appeals within six (6) months of the date of the final written decision by instituting legal action as provided in the Code of Virginia. A contractor may not institute legal action, prior to receipt of the public body's decision on the claim, unless the public body fails to render such decision within the time specified. Contractual claims, whether for money or other relief, shall be submitted in writing no later than sixty days after final payment; however, written notice of the contractor's intention to file such claim shall have been given at the time of the occurrence or beginning of the work upon which the claim is based. Nothing herein shall preclude a contract from requiring submission of an invoice for final payment within a certain time after completion and acceptance of the work or acceptance of the goods. Pendency of claims shall not delay payment of amounts agreed due in the final payment.

Z. Warranty/Guarantee:

Successful Offeror guarantees against defective or faulty material or workmanship for at least one (1) year or for the manufacturer's standard warranty period, whichever is greater, from date of acceptance by NNPS. To furnish adequate protection from damage for all work and to repair damages of any kind for which Successful Offeror or Successful Offeror's workmen are responsible, to the building or equipment, to Successful Offeror's own work, or to the work of others. Any merchandise or service provided under the contract which is or becomes defective during the warranty period shall be replaced by the Successful Offeror free of charge with the specific understanding that all replacements shall carry the same guarantee as the original equipment or service (one year or manufacturer's standard warranty period, whichever is greater, from the date of acceptance of the replacement). Successful Offeror shall make any such replacement immediately upon receiving notice from NNPS.

AA. Payment Terms:

To be eligible for payment, all labor, equipment and materials covered under Successful Offeror's invoice must be completed and accepted by NNPS. NNPS agrees to make payments under this contract within thirty (30) days after receipt of a correct invoice for such payment. Where payment is made by mail, the date of postmark shall be deemed to be the date of payment. Any amounts due NNPS under the terms of this or any other agreement may be applied against Successful Offeror's invoices with documentation for the basis of the adjustment attached. In no event shall any interest penalty or late fee accrue when payment

is delayed because of disagreement between NNPS and Successful Offeror regarding the quantity, quality, time of delivery, or other noncompliance with the contract requirements for any Product or Service or the accuracy or correctness of any invoice. Payment terms offering a "prompt payment discount" of 20 days or greater will be considered in the evaluation of Proposals. All other payment terms shall be net thirty (30) calendar days or greater. Payment terms not specified by Offeror shall be Net 45 days.

Special Educational or Promotional Discounts

Successful Offeror shall extend any special educational or promotional sale prices or discounts immediately to NNPS during the term of the contract. Such notice shall also advise the duration of the specific sale or discount price.

BB. Prompt Payment:

NNPS will promptly pay for completed, delivered goods or services accepted under this Contract by the payment date established. The required payment date will be either: (i) the date on which payment is due under the terms of this Contract for the provision of the goods or services; or (ii) if a date is not established by this Contract, not more than forty-five (45) days after goods or services are received or not more than forty-five (45) days after the invoice is rendered, whichever is later.

Within twenty (20) days after the receipt of the invoice or goods or services, NNPS shall notify the supplier of any defect or impropriety that would prevent payment by the payment date. Should NNPS fail to pay the Contractor by the pay date, finance charges may be assessed by the Contractor. Unless otherwise provided under the terms of this Contract, interest will accrue at the rate of one percent (1%) per month. This will not apply to late payment provisions in any public utility tariffs or public utility negotiated Contracts. Contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

In cases where payment to Contractor is made by mail, the date of postmark shall be deemed to be the date payment is made for purposes of this Contract.

Individual Contractors shall provide to NNPS their social security numbers and proprietorships, partnerships, and corporations to provide their federal employer identification numbers.

Within seven (7) days after Contractor receives payment from NNPS, Contractor shall take one or more of the following actions:

1. Pay all subcontractors for the proportionate share of the total payment received from NNPS attributable to the work performed by the subcontractors under this Contract;
2. Notify NNPS and all affected subcontractors, in writing, of Contractor's intention to withhold all or a part of each affected subcontractor's payment including the reason for nonpayment.
3. Pay interest to the subcontractor on all amounts owed by the Contractor that remain unpaid after (7) seven days following receipt by the Contractor of payment from NNPS for work performed by the subcontractor under that Contract, except for amounts withheld, as allowed in #2 above.

A Contractor's obligation to pay an interest charge to a subcontractor pursuant to the payment clause in this section shall not be construed to be an obligation of NNPS. A Contract modification will not be made for the purpose of providing reimbursement by NNPS for interest charges owed by Contractor. A cost reimbursement claim to NNPS shall not include any amounts for reimbursement of interest charges owed by Contractor.

CC. Payment by Electronic Funds Transfer (EFT)

- (a) Method of payment.

(1) All payments by Newport News Public Schools (NNPS) under this contract shall be made by electronic funds transfer (EFT) except as provided in paragraph (a)(2) of this clause. As used in this clause, the term “EFT” refers to the funds transfer and may also include the payment information transfer.

(2) In the event NNPS is unable to release one or more payments by EFT, the Contractor agrees to either—

- (i) Accept payment by check or some other mutually agreeable method of payment; or
- (ii) Request NNPS to extend payment due dates until such time NNPS makes payment by EFT (but see paragraph (d) of this clause).

(b) Mandatory submission of Contractor's EFT information.

(1) The Contractor is required to provide NNPS with the information required to make payment by EFT (see paragraph (j) of this clause). The Contractor shall provide this information directly to the NNPS Accounting Department (hereafter referred to as “Accounting”) no later than 15 days prior to submission of the first request for payment. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the Accounting.

(2) If the Contractor provides EFT information applicable to multiple contracts, the Contractor shall specifically state the applicability of this EFT information in terms acceptable to Accounting.

(c) *Mechanisms for EFT payment.* NNPS may make payment by EFT through the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association

(d) Suspension of payment.

(1) The NNPS is not required to make any payment under this contract until after receipt, by Accounting, of the correct EFT payment information from the Contractor. Until receipt of the correct EFT information, any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract.

(2) If the EFT information changes after submission of correct EFT information, NNPS shall begin using the changed EFT information no later than 30 days after its receipt by Accounting to the extent payment is made by EFT. However, the Contractor may request that no further payments be made until the updated EFT information is implemented by Accounting. If such suspension would result in a late payment under the prompt payment terms of this contract, the Contractor’s request for suspension shall extend the due date for payment by the number of days of the suspension.

(e) Liability for uncompleted or erroneous transfers.

(1) If an uncompleted or erroneous transfer occurs because NNPS used the Contractor’s EFT information incorrectly, NNPS remains responsible for—

- (i) Making a correct payment;
- (ii) Paying any prompt payment penalty due; and
- (iii) Recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because the Contractor’s EFT information was incorrect, or was revised within 30 days of NNPS’ release of the EFT payment transaction, and—

- (i) If the funds are no longer under the control of Accounting, NNPS is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or
- (ii) If the funds remain under the control of Accounting, NNPS shall not make payment and the provisions of paragraph (d) shall apply.

(f) *EFT and prompt payment.* A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

- (g) *EFT and assignment of claims.* If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall provide the EFT information required by paragraph (j) of this clause to Accounting, and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to NNPS, is incorrect EFT information within the meaning of paragraph (d) of this clause.
- (h) *Liability for change of EFT information by financial agent.* NNPS is not liable for errors resulting from changes to EFT information provided by the Contractor's financial agent.
- (i) *Payment information.* Accounting shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. NNPS may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods Accounting is capable of executing. However, NNPS does not guarantee that any particular format or method of delivery is available and retains the latitude to use the format and delivery method most convenient to NNPS. If NNPS makes payment by check in accordance with paragraph (a) of this clause, NNPS shall mail the payment information to the remittance address in the contract.
- (j) *EFT information.* The Contractor shall provide the following information to Accounting. The Contractor may supply this data for this or multiple contracts (see paragraph (b) of this clause). The Contractor shall designate a single financial agent per contract capable of receiving and processing the EFT information using the EFT methods described in paragraph (c) of this clause.
- (1) The contract number (or other procurement identification number).
 - (2) The Contractor's name and remittance address, as stated in the contract(s).
 - (3) The signature (manual or electronic, as appropriate), title, and telephone number of the Contractor official authorized to provide this information.
 - (4) The name, address, and 9-digit Routing Transit Number of the Contractor's financial agent.
 - (5) The Contractor's account number and the type of account (checking, saving, or lockbox).
 - (6) If applicable, the Fedwire Transfer System telegraphic abbreviation of the Contractor's financial agent.
 - (7) If applicable, the Contractor shall also provide the name, address, telegraphic abbreviation, and 9-digit Routing Transit Number of the correspondent financial institution receiving the wire transfer payment if the Contractor's financial agent is not directly on-line to the Fedwire Transfer System; and, therefore, not the receiver of the wire transfer payment.

NNPS Accounting Department Designated Contact:

Accounting Department

NNPS Administration Building

12465 Warwick Blvd.

Newport News, Virginia 23606

Tel: (757)591- 4513

Steven Kanehl, Accounting Supervisor

Steve.Kanehl@nn.k12.va.us

DD. Audits:

NNPS shall have the right to audit all books and records (in whatever form they may be kept, whether written, electronic or other) relating or pertaining to this Contract (including any and all documents and

other materials, in whatever form they may be kept, which support or underlie those books and records), kept by or under the control of Successful Offeror, including, but not limited to those kept by Successful Offeror, its employees, agents, assigns, successors and subcontractors. Successful Offeror shall maintain such books and records, together with such supporting or underlying documents and materials, for the duration of this Contract and for at least three years following the completion of this Contract, including any and all renewals thereof. The books and records, together with the supporting or underlying documents and materials shall be made available, upon request, to NNPS, through its employees, agents, representatives, contractors or other designees, during normal business hours at Successful Offeror's office or place of business in Newport News, Virginia. In the event that no such location is available, then the books and records, together with the supporting or underlying documents and records, shall be made available for audit at a time and location in Newport News, Virginia, which is convenient for NNPS. This paragraph shall not be construed to limit, revoke, or abridge any other rights, powers, or obligations relating to audit which NNPS may have by state, city, or federal statute, ordinance, regulation, or agreement, whether those rights, powers, or obligations are express or implied.

EE. Notice of Award:

Any contract resulting from this RFP will be publicly posted for inspection in the NNPS Purchasing Department, 12465 Warwick Boulevard, Newport News, Virginia.

FF. Award:

NNPS intends to award a contract to a fully qualified Offeror submitting the best proposal based on the criteria set forth herein and as determined by NNPS in its sole discretion. At NNPS' sole discretion, NNPS may reject any or all proposals in whole or in part if such action is determined to be in NNPS' best interest. NNPS reserves the right to enter into any contract deemed to be in its best interest, including the award of this contract to more than one contractor.

GG. Disposition of Proposals:

All materials submitted in response to this RFP will become the property of the NNPS. One (1) copy of each proposal will be retained for official files, will become a matter of public record after award of the contract, and will be open to public inspection subject to the *Proprietary Information/Disclosure* section of this RFP.

HH. Exclusivity:

Any contract resulting from this RFP shall be exclusive with the following exceptions:

- NNPS reserves the right to procure goods/services under this contract from a third party in the event of the following:
- Contractor is unable to provide required services within the required delivery time.
- Contract is unable to provide the required services requested.
- NNPS volume demands exceed original intent of the contract.

VI. SPECIAL TERMS AND CONDITIONS

A. Contract Term:

This contract term shall be for **one (1) year**, effective July 1, 2019.

B. Contract Extension:

This contract may be extended upon mutual agreement of both parties for **four (4) additional, one-year (1) periods**, upon the same prices, terms, and conditions set forth in the negotiated contract resulting from this RFP.

C. Time is of the Essence:

Time is of the essence in this Contract. Successful Offeror expressly acknowledges that in the performance of its obligations, NNPS is relying on timely performance and will schedule operations and incur obligations to third parties in reliance upon timely performance by Successful Offeror and may sustain substantial losses by reason of untimely performance.

D. Insurance:

1. Contractor shall submit to the NNPS Contract Administrator certificates of insurance, prior to beginning work under the Contract and no later than ten (10) days after award of the Contract.
2. All policies of insurance required herein shall be written by insurance companies licensed to conduct the business of insurance in Virginia, and acceptable to Owner, and shall carry the provision that the insurance will not be cancelled or materially modified without thirty days (30) prior written notice to the Owner or to the extent permitted by Virginia law.
3. The certificates of insurance shall list NNPS, 12465 Warwick Boulevard, Newport News, Virginia, 23606-0130, as the additional insured for the specified project as outlined in this IFB. Copies of actual endorsements to the policy shall be required to confirm any special request, such as, additional insured status. A COI shall not be issued or delivered that gives the impression there are coverage terms the referenced policy does not specifically provide.

IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO IMMEDIATELY NOTIFY THE OWNER SHOULD ANY POLICY BE CANCELLED. FAILURE TO NOTIFY THE OWNER SHALL CONSTITUTE A MATERIAL BREACH OF THE CONTRACT.

| Forms | Limits |
|--|-----------------------------------|
| Workers' Compensation | Statutory |
| Automobile Liability | \$1,000,000 Combined Single Limit |
| Commercial General Liability, including Contractual Liability and Products and Completed Operations Coverage | \$1,000,000 Combined Single Limit |
| Umbrella/Excess Liability | \$5,000,000 |

The establishment of minimum limits of insurance by NNPS does not reduce or limit the liability or responsibilities of the Successful Offeror.

E. Unauthorized Disclosure of Information:

Successful Offeror shall assume the entire responsibility and liability for any and all damages caused by or resulting from or arising out of the negligent or willful unauthorized disclosure of confidential information on the part of the Successful Offeror, its subcontractors, agents or employees under or in connection with this contract. The Successful Offeror shall save harmless and indemnify NNPS and its agents, volunteers, servants, employees and officers from and against any and all claims, losses or expenses, including but not limited to attorney's fees, which either or both of them may suffer, pay or incur as the result of claims or suits due to, arising out of or in connection with, any and all such unauthorized disclosures, real or alleged. The Successful Offeror shall, upon written demand by NNPS, assume and defend, at the Successful Offeror's sole expense, any and all such suits or defense of claims alleging unauthorized disclosures of confidential information.

Any negligent or willful unauthorized disclosure of confidential information on the part of the Successful Offeror, its subcontractors, agents or employees under or in connection with this contract shall constitute a breach of the terms of this contract. NNPS may proceed by appropriate court action, including seeking injunctive relief, to prevent continuing unauthorized disclosures, and Successful Offeror shall save harmless and indemnify NNPS for court costs, litigation expenses and attorney's fees that it may pay or incur as the result of seeking to prevent or stop any and all unauthorized disclosures of confidential information.

F. Using Entities/Regional /Cooperative Contracts

This solicitation was issued in accordance with Code of Virginia §2.2-4304 on behalf of the members of the Southeastern Virginia Governmental Purchasing Cooperative (SVGPC), as well as other public bodies,

governmental jurisdictions and school divisions. In the event these entities opt to participate under any contract awarded as a result of this solicitation, each will enter into a separate contract directly with the Successful Offeror or Offerors, incorporating all terms and conditions set forth in this contract, including incorporated best and final offers. Each entity will be responsible for the contract administration of its contract directly with the Contractor. NNPS assumes no authority, liability or obligation, on behalf of any other public or non-public entity that may use any contract resulting from this solicitation. All purchases and payment transactions will be made directly between the Contractor and the requesting entity. Any exceptions to this requirement must be specifically noted in the solicitation response.

G. CERTIFICATION REGARDING DEBARMENT

This is to certify that this person/firm/corporation is not now debarred by the Federal Government or by the Commonwealth of Virginia or by any other state, or by any town, city, or county, from submitting Bids on contracts for construction covered by this solicitation, nor are they an agent of any person or entity that is now so debarred.

Name of Official

Title

Firm or Corporation

Date

H. Data Security Clauses

1. Network Security. Vendor agrees at all times to maintain network security that at a minimum includes: network firewall provisioning, intrusion detection, and regular (three or more annually) third party vulnerability assessments. Likewise, Vendor agrees to maintain network security that conforms to generally recognized industry standards.
2. Data Security. Vendor agrees to preserve the confidentiality, integrity and accessibility of NNPS data with administrative, technical and physical measures that conform to generally recognized industry standards (see “11. Industry Standards”) and best practices that Vendor then applies to its own processing environment. Maintenance of a secure processing environment includes but is not limited to the timely application of patches, fixes and updates to operating systems and applications as provided by vendor or open source support.
3. Data Storage. Vendor agrees that any and all NNPS data will be stored, processed, and maintained solely on designated target servers and that no NNPS data at any time will be processed on or transferred to any portable or laptop computing device or any portable storage medium, unless that device or storage medium is in use as part of the Vendor's designated backup and recovery processes and encrypted in accordance with “5. Data Encryption”.
4. Data Transmission. Vendor agrees that any and all electronic transmission or exchange of system and application data with NNPS and/or any other parties expressly designated by NNPS shall take place via secure means (using HTTPS or SFTP or equivalent) and solely in accordance with “7. Data Re-Use”.
5. Data Encryption. Vendor agrees to store all NNPS backup data as part of its designated backup and recovery processes in encrypted form, using a commercially supported encryption solution. Vendor further agrees that any and all NNPS data defined as personally identifiable information under current legislation or regulations stored on any portable or laptop computing device or any portable storage medium be likewise

encrypted. Encryption solutions will be deployed with no less than a 128-bit key for symmetric encryption and a 1024 (or larger) bit key length for asymmetric encryption.

6. Data Re-Use. Vendor agrees that any and all data exchanged shall be used expressly and solely for the purposes enumerated in the Current Agreement and this Addendum. Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Vendor. Vendor further agrees that no NNPS data of any kind shall be transmitted, exchanged or otherwise passed to other vendors or interested parties except on a case-by-case basis as specifically agreed to in writing by Newport News Public Schools.

7. End of Agreement Data Handling. Vendor agrees that upon termination of this Agreement it shall erase, destroy, and render unrecoverable all NNPS data and certify in writing that these actions have been completed within 30 days of the termination of this Agreement or within 7 days of the request of an agent of NNPS, whichever shall come first. At a minimum, a "Clear" media sanitization is to be performed according to the standards enumerated by the National Institute of Standards, Guidelines for Media Sanitization, SP800-88, Appendix A -see <http://csrc.nist.gov/>.

8. Security Breach Notification. Vendor agrees to comply with all applicable laws that require the notification of individuals in the event of unauthorized release of personally identifiable information or other event requiring notification. In the event of a breach of any of Vendor's security obligations, or other event requiring notification under applicable law, Vendor agrees to:

- a. Notify NNPS by telephone and e-mail of such an event within 24 hours of discovery, and;
- b. Assume responsibility for informing all such individuals in accordance with applicable law,

and;

- c. Indemnify, hold harmless and defend NNPS and its trustees, officers, and employees from and against any claims, damages, or other harm related to such Notification Event.

9. Right to Audit. Newport News Public Schools or an appointed audit firm (Auditors) has the right to audit the Vendor and the Vendor's sub-vendors or affiliates that provide a service for the processing, transport or storage of Newport News Public Schools's data. Newport News Public Schools will announce their intent to audit the Vendor by providing at a minimum two weeks (10 business days) notice to the Vendor. This notice will go to the Vendor that this contract is executed with. A scope document along with a request for deliverables will be provided at the time of notification of an audit. If the documentation requested cannot be removed from the Vendor's premises, the Vendor will allow the Auditors access to their site. Where necessary, the Vendor will provide a personal site guide for the Auditors while on site. The Vendor will provide a private accommodation on site for data analysis and meetings; the accommodation will allow for a reasonable workspace, with appropriate lighting, electrical, a printer and Internet connectivity. The Vendor will make necessary employees or contractors available for interviews in person or on the phone during the time frame of the audit. In lieu of NNPS or its appointed audit firm performing their own audit, if the Vendor has an external audit firm that performs a certified SSAE16 SOC Type II review, NNPS has the right to review the controls tested as

well as the results, and has the right to request additional controls to be added to the certified SSAE16 SOC Type II review for testing the controls that have an impact on NNPS data. Audits will be at Newport News Public Schools's sole expense, except where the audit reveals material noncompliance with contract specifications, in which case the cost will be borne by the vendor.

10. Industry Standards. Generally recognized industry standards include but are not limited to the current standards and benchmarks set forth and maintained by the:

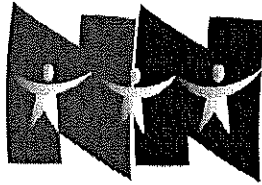
- Center for Internet Security -see <http://www.cisecurity.org>
- Payment Card Industry/Data Security Standards (PCI/DSS) -see <http://www.pcisecuritystandards.org/>
- National Institute for Standards and Technology -see <http://csrc.nist.gov>
- Federal Information Security Management Act (FISMA) -see <http://csrc.nist.gov>
- ISO/IEC 27000-series -see <http://www.iso27001security.com/>
- Organization for the Advancement of Structured Information Standards (OASIS) -see

<http://www.oasis-open.org/>

11. Vendor agrees to provide SSAE 16 (SOC 1) Standard Type II reports to NNPS Contract Administrator annually which document verification of controls tested. Annual date determined to be thirty (30) days prior to the established contract renewal date.

I. Copyright/Patent Indemnity:

Successful Offeror shall pay all royalty and license fees relating to the items covered by this contract. In the event any third party shall claim that the manufacture, use and sales of the goods supplied under this contract constitute an infringement of any copyright, trademark, or patent, the Successful Offeror shall indemnify NNPS and hold NNPS harmless from any cost, expense, damage or loss incurred in any manner by NNPS on account of any such alleged or actual infringement.



February 14, 2019
Addendum #1

TO: ALL OFFERORS

RE: RFP #013-0-2019LC Group basic life, accidental death and dismemberment (AD&D),
and group short-term disability

The above referenced RFP is hereby amended and clarified as follows:

1. Revise due date from April 28, 2019 to February 28, 2019.
2. Replace paragraph G. on page 7 with the following:

G, RFP Closing:

Offeror shall ensure its Proposal is time stamped by the Issuing Office no later than the Closing Date and Time shown on the cover page of this Information for Proposal. Proposals received after the specified date and time (time stamped 2:01 P.M. or later) will not be considered and will be returned to the Offeror unopened.

3. All other provisions of the RFP shall remain unchanged.

Signature: _____
(Offeror)

Sincerely,

Lisa A. Cumming, CPPO, C.P.M., CPPB, VCO Purchasing
Agent



February 27, 2019

Addendum #2

TO: ALL OFFERORS

RE: **RFP #013-0-2019LC Group basic life, accidental death and dismemberment (AD&D), and group short-term disability**

The above referenced RFP is hereby amended and clarified as follows:

- I. Revise due date from February 28, 2019 to March 7, 2019.
- II. Responses to the questions received are as follows:
 1. The monthly experience skips every August and September. Why is it skipped? We know this is a school so it usually runs on a 10-month cycle, but the majority of the time, we see the months of June and July skipped. Are August and September skipped for the 10-month cycle, but just later than what we have seen?

Yes, the missing months are due to the 10-month schedule and reflects the month premium was received by Hartford, not the month billed.
 2. The RFP has 5 census files, but not all of the census files are eligible for Basic Life. It looks like there are 483 active employees and 564 retirees. This is a total of 1047 total participants, but there are 976 on the 1/1/19 experience. This is about a 7% difference so this is within tolerance, but I just want to make sure I am looking at this correctly.

A revised census of active employees (Census 1) is included. The number of active employees covered under the plan has decreased. Revised retiree census (Census 4 and Census 5) have also been provided with additional fields of information. The census is available by contacting USI at claire.harlin@usi.com.
 3. There are multiple classes, but it looks like there are no participants in Class 2. It looks like the BSCL benefit is 2x salary for all participants.

Class 2 a closed class. The basic life benefit is 2 x salary up to \$100,000 with a minimum benefit of \$10,000.

4. Over half of the participants are retirees, given this and that they have a different rate than the Actives, can we obtain separate experience for Active and separate experience for Retirees?

A detailed life report is included in the Addendum. Reports that are separate for actives and retirees is not available; please use the benefit amount and age as an indication of status. Please contact USI at claire.harlin@usi.com for all new attachments.

5. The experience report shows 2,787 STD lives on 1/19, however the census shows 2,330 (attachment D per the RFP). Why the difference?

The original census did not include the Hybrid VLDP participants who are only covered in their first year of employment. A revised census has been provided. There are two tabs. The first tab is all employees who are eligible for STD but not a Hybrid employee. The second tab is all eligible Hybrid employees. The census is available by contacting USI at claire.harlin@usi.com.

6. On the STD census (attachment D), we will need to be able to break out who is exempt/non-exempt and who gets the 10, 11 and 12-month benefit duration. There are six different rates to line up with it. Can we please ask for a revision or key?

The exempt/non-exempt status has been included in a revised census. The census is available by contacting USI at claire.harlin@usi.com.

7. What benefit should I quote for those employees they're asking us to consider adding to STD?

Assume these employees will have the same benefit as current active employees.

8. With your due date of February 28th, you have a holiday in that period. While I'm sure every competing carrier can provide you with a proposal by that date, it would be my suggestion based upon my experience that you provide a due date at least one week later. With the amount of risk involved for a group of your size and industry, you would likely get back better offers if each bidder is provided that extra time!

An extension is being granted to March 7, 2019 at 2:00 p.m.

9. Can the one electronic copy be provided via USB drive (a/k/a Thumb drive)? In the written information below from the RFP (page 7 of 25 in the pdf), it speaks to a "CD must...". We just want to make sure of your requirements here. Thanks.

*b. Submit the original, six (6) hard copies and one (1) electronic copy (CD or **USB drive**) of the proposal to the Issuing Office. Proposals must be sealed and received and date time stamped by the Issuing Office prior to the due date and time specified in this RFP.*

A few paragraphs later, the wording is:

2) *The CD must be a:*

a) "standard" compact disk (CD) [using 780 nm wavelength laser diode light]; or a digital video disk or "digital versatile disc" (DVD) [using 650 nm wavelength laser diode light - Note: 'Blue-ray™ disks are not acceptable]. The media shall be capable of being read in a standard personal computer (PC) CD or DVD-drive. The media shall use a "standard" CD-file system format [ISO 9660], be virus-free, and may contain PC-files in any of the following formats:

A USB drive is allowed (and required for USI's copy).

10. Can you provide an updated STD census that lists the STD class (Exempt/Non-Exempt) for each covered employee and their current sick leave balance in days?

The exempt/non-exempt status has been included in a revised census. The census is available by contacting USI at claire.harlin@usi.com.

11. The RFP requests optional quotes to add the employees on Censuses 1 and 2 to the STD. Can you clarify which policy class and benefit we should quote for each?

Assume these employees will have the same benefit as current active employees.

12. How is the employer's portion of FICA handled? Does the employer submit it, does the Hartford pay it and bill the employer or does the Hartford pay it with no charge back?

Newport News Public Schools is responsible for the ERFICA on the STD plan.

13. Does USI receive a commission on the life and STD policies? If so, what percentage should be built into our rates?

USI does not receive commissions. Newport News Public Schools will not pay commissions on these lines of coverage.

14. Please provide a census that includes the number of accumulated sick days per employee; or if that is not available please provide an average number of sick days for exempt and non-exempt employees.

A revised census is provided with accumulated sick leave balances and denotes exempt and non-exempt. The census is available by contacting USI at claire.harlin@usi.com.

15. Please provide a claims report on a paid basis as opposed to incurred (or paid/incurred with paid claims and paid premium if available).

A paid claim report is provided. Please contact USI at claire.harlin@usi.com for all new attachments.

16. There is also a request to add employees from census 1 and 2 onto the STD plan. Please indicate what rate segment these employees would be classified under and also what benefit they would be eligible for. Do they have accumulated sick leave and if so what is the average number of days employees have?

These employees will be provided the same benefit as current active employees based on accumulated sick leave. These balances have been provided on a separate revised census that is a combination of the employees who were originally separated on census 1 and 2. The census is available by contacting USI at claire.harlin@usi.com.

17. There is a difference in lives between the premium report which shows 2,787 lives for January 2019 and the census 3 which includes 2,300 lives as being eligible for the inforce STD plan.

- o Please explain this difference.
- o The census does not provide the detail needed to break out employees into these 6 rate segments.

| Experience Group | Lives | Rate | Rate Description | Billed Premium |
|---|-------------|--------------|------------------|-----------------|
| EXEMPT 10 MONTH EE'S | 1794 | 6.098 | PER EE | \$10,939.81 |
| EXEMPT 11 MONTH EE'S | 128 | 6.795 | PER EE | \$869.76 |
| EXEMPT 12 MONTH EE'S | 236 | 7.47 | PER EE | \$1,762.92 |
| NON-EXEMPT 10 MONTH EE'S | 443 | 4.489 | PER EE | \$1,988.63 |
| NON-EXEMPT 11 MONTH EE'S | 25 | 5.108 | PER EE | \$127.70 |
| NON-EXEMPT 12 MONTH EE'S | 161 | 5.569 | PER EE | \$896.61 |
| Note this total lives does not match the census 3? | 2787 | 5.951 | | 16585.43 |

The original census did not include the Hybrid VLDP participants who are only covered in their first year of employment. A revised census has been provided. The census is available by contacting USI at claire.harlin@usi.com.

18. Please provide a detailed claims listing for the last 5 years, breaking out active from retiree claims for each year.

A detailed life report going back to 1/1/2014 is included in the Addendum. Reports that are separate for actives and retirees is not available; please use the benefit amount and age as an indication of status. Please contact USI at claire.harlin@usi.com for all new attachments.

19. We'll need census clarity for active EEs eligible for LIFE. Exhibits B and C sum up to 667 actives (484+183), yet billing for recent months is showing 410 active lives. Are they under-reporting the billing, or is the census inaccurate with too many people on it?

A revised census of active employees (Census 1) is included. The number of active employees covered under the plan has decreased. The census is available by contacting USI at claire.harlin@usi.com.

20. “Attachment E – Census 4” census (497 retirees) doesn’t have any dates of birth. Please provide an updated census with DOBs.

A revised retiree census is available with the missing information. The census is available by contacting USI at claire.harlin@usi.com.

21. If awarded this contract, how many booklets will be needed; is the expectation to print 1 booklet for each employee? (this is referencing RFP page 6, item 11)

Provide one (1) booklet per employee plus a small supply for new hires and new retirees.

22. Are all of the EE’s being covered considered non-hybrid EE’s and not eligible for coverage under the VLDP plan through the state or VACORP?

Hybrid employees are covered for STD during their first year of service when they are ineligible for STD under the VLDP plan. NNPS terminates them from the STD coverage at the end of one year of service.

23. For active employees the census is missing exempt/non-exempt status and the number of days in their sick bank for each employee.

The exempt/non-exempt status has been included in a revised census. The census is available by contacting USI at claire.harlin@usi.com.

24. For retirees prior to 07/01/98 the census is missing zip code & gender.

A revised retiree census is available with the missing information. The census is available by contacting USI at claire.harlin@usi.com.

25. For retirees on or after 07/01/98 the census is missing zip code, gender, & DOB.

A revised retiree census is available with the missing information. The census is available by contacting USI at claire.harlin@usi.com.

26. Have there been any plan changes? If so please indicate the date of change & the plan design change (changed from x to y).

No changes have been made to the plan.

27. Since there is no waiver on the life are we expected to take over disabled lives? If so please provide a complete census on these EE’s.

We would expect the successful carrier to take over disabled lives. We will provide a census of those affected employees to the successful carrier during implementation.

28. Is there an individual life claim listing in order to determine active vs retiree claims?

A detailed life report is included in the Addendum. Reports that are separate for actives and retirees is not available; please use the benefit amount and age as an indication of status. Please contact USI at claire.harlin@usi.com for all new attachments.

29. STD paid claims were provided on an incurred basis. Please provide the same monthly report but on a monthly paid basis regardless of incurred date. (Hartford can produce this report)

A paid claim report is provided. Please contact USI at claire.harlin@usi.com for all new attachments.

30. For those classes not currently eligible for STD, what plan design should be quoted?

These employees will be provided the same benefit as current active employees based on accumulated sick leave. These balances have been provided on the revised census. The census is available by contacting USI at claire.harlin@usi.com.

31. The STD duration is indicated as “2 times the number of days in Your contract with Your Employer to a maximum of 104 weeks of benefits”. Please provide further details regarding this in order to determine more accurately duration of benefits for each class. For example does a 10 month contract EE get 86.6 weeks of benefits [(10 months x 4.33 weeks per month x 5 days per week x 2)/5 day work week]? Please provide specifics.

Your example correctly illustrates how maximum benefit duration is calculated.

32. If a 10 or 11-month contract employee becomes totally disabled while school is out for the summer, will they receive any STD benefits during that time or will STD benefits start once they exhaust their sick leave & the new school year (contract period) has started, assuming they still meet the definition of total disability?

Benefits will begin once they exhaust sick leave, regardless of whether the disability occurred during school or during the summer months.

33. Will an e-signature be accepted on the two forms?

No.

34. As part of the RFP format, please confirm the “Scope of Work” mentioned on Page 12 is the referring to the “Statement of Needs”. If this is the same document, please confirm it should be included as part of Section/Tab 3 of the proposal package.

Yes, “Scope of Work” should have read “Statement of Needs”. Please include as a part of Section 3 of your proposal.

35. Is the Certification Regarding Debarment Form (Section G, Page 23) a required form in the proposal package? If so, please confirm where it should be included – what section/tab.

The debarment tab can be submitted with the coversheet and nondisclosure form.

36. We are requesting/inquiring about an extension of time for the submission since not all of the needed information for underwriting is available at this time. Thank you.

An extension is being granted to March 7, 2019 at 2:00 p.m.

37. Please provide a listing of individual paid claims (including a designation of active employee or retiree).

A detailed life report is included in the Addendum. Reports that are separate for actives and retirees is not available; please use the benefit amount and age as an indication of status. Please contact USI at claire.harlin@usi.com for all new attachments.

38. Retirees who retired on or after 1998 have a life benefit reduction that states, “there will be a 25% reduction of the already reduced amount for the first three years after you retire.” What happens after three years? Does the amount change from this time on?

During the first year of retirement, the retiree is entitled to the amount of insurance in place at retirement. In years 2 – 4, the benefit declines by 25% of the original amount each year. The ending benefit is one-half of annual salary prior to retirement and does not reduce further. Example: Annual salary at retirement = \$40,000. Year 1 – benefit = \$80,000; Year 2 – benefit = \$60,000; Year 3 – benefit = \$40,000; From year 4 on – benefit = \$20,000.

39. Retirees who retired prior to 1998 has coverage that does not reduce or terminate. However, the volume for these retirees is listed as \$5,000 or \$10,000 despite the maximum being \$100,000. Please clarify.

The benefit for this closed class is either \$5,000 or \$10,000 as denoted on the census.

40. Per the cost exhibit, there are no longer ‘half time’ employees. Can this life class be removed?

Yes.

41. Please provide sick leave balances.

Accumulated sick leave balances have been added to the revised employee census. The census is available by contacting USI at claire.harlin@usi.com.

42. The Virginia Retirement System Hybrid plan applies to those hired on or after 1/1/14, however new hires appear to also be on this STD plan. Does Newport News City SD participate in the VRS Hybrid plan?

Hybrid employees are covered for STD during their first year of service when they are ineligible for STD under the VLDP plan. NNPS terminates them from the STD coverage at the end of one year of service.

43. Is the amount per day based on the school or calendar day?

Benefits are paid based on days that the employee would have worked (a school day).

44. The STD certificate says the duration is 2 times the number of days in your contract with Your Employer to a maximum of 104 weeks.
- a. What is the amount of days in the contract?
 - b. Is it different for each employee?
 - c. If so, can we get that information added to the census?

The amount of days in a contract varies by position and can range from 182 days to 245 days. The most common number of days in a contract is the 192 days for which teachers are paid. This information has been added to the three active employee census.

45. Can we get DOBs and genders for the retirees on Census 4?

A revised retiree census is available with the missing information. The census is available by contacting USI at claire.harlin@usi.com.

- III. All other provisions of the RFP shall remain unchanged.

Signature: _____ (Offeror)

Sincerely,

Lisa A. Cumming,
CPPO, C.P.M., VCO
Director of Procurement



March 1, 2019
Addendum #3

TO: ALL OFFERORS

RE: RFP #013-0-2019LC Group basic life, accidental death and dismemberment (AD&D),
and group short-term disability

The above referenced RFP is hereby amended and clarified as follows:

1. Revise due date from March 7, 2019 to March 11, 2019. The time to submit proposals by remains the same.
2. Responses to follow on questions received are as follows:
 - a. How is the incumbent carrier provided with the accumulated sick time that an employee has at time of claim? Does NNPS and/or the incumbent carrier have a system for tracking everybody's sick time or is this provided by the employee (along with employer certification) at the time of claim?

Response: That is provided by NNPS on a case by case basis.

- b. Since the benefit is a flat amount per day, how does the current carrier determine the number of days the employee would have been scheduled to work? For example, an administrator may work more days than a teacher. Would the inforce carrier be provided with a schedule of work days applicable to each employee (employment) category?

Response: NNPS determines the work days for employees using our calendars, which are provided to the provider via email for their records.

- c. Would the group consider placing the Life and STD with different carriers?

Response: We would prefer to keep it together but would not rule out using 2 vendors if it proves to be beneficial to the employee and NNPS.

3. All other provisions of the RFP shall remain unchanged.

Signature: _____
(Offeror)

Lisa A. Cumming, CPPO, C.P.M., VCO
Director of Procurement