

**STATE OF LOUISIANA
OFFICE OF RISK MANAGEMENT**



**REQUEST FOR PROPOSALS
FOR
INSURANCE BROKER SERVICES**

RFP - BROKER SERVICES 2018

PROPOSAL DUE DATE/TIME: OCTOBER 20, 2017 4:00 PM (CT)

RELEASE DATE: SEPTEMBER 18, 2017

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REQUEST FOR PROPOSALS FOR INSURANCE BROKER SERVICES

PART I: ADMINISTRATIVE AND GENERAL INFORMATION

1.1 Purpose

This Request for Proposals (RFP) is issued by the State of Louisiana, Office of Risk Management (herein referred to as ORM) for providing interested parties with information to enable them to prepare and submit a proposal for selection of an insurance broker to provide services described in Attachment I.

1.2 Background

The Office of Risk Management was created within the Office of the Governor, Division of Administration by R. S. 39:1527, et seq, in order to provide a comprehensive risk management program for the State of Louisiana.

The mission of ORM is to develop, direct, achieve and administer a cost effective comprehensive risk management program for all departments, agencies, boards and commissions of the State of Louisiana and for any other entity for which the State has an equity interest, in order to preserve and protect the assets of the State of Louisiana. R.S. 39:1527, et seq, further designates ORM to be solely responsible for all property and casualty and workers' compensation insurance purchased or self-insured by ORM for all State Departments, Agencies, Boards and Commissions.

As provided for by LA R.S. 39:1540, The Office of Risk Management, under the direction of the commissioner of administration, is authorized to contract for consulting and insurance broker services related to ORM's management of the statewide property and casualty programs. The contract authorized pursuant to this provision allows for advisory and procurement services related to ORM's insurance programs.

The ORM website can be found at <http://www.doa.la.gov/Pages/orm/Index.aspx>.

A list of all State agencies that are provided insurance coverage and services through ORM can be found at <http://www.doa.la.gov/orm/PDF/Location%20List%201-25-2017.pdf>.

Mercedes-Benz Superdome, Smoothie King Center, and Champions Square:

The Louisiana Stadium and Exposition District (LSED) is a state agency/political subdivision comprised of seven members appointed by the governor. The board's primary purpose is to plan, finance, construct, develop, maintain and operate facilities located within the District for events of public interest. The LSED is responsible for the Mercedes-Benz Superdome, Smoothie King Center, Zephyr Field, John A. Alario Sr. Event Center, TPC Louisiana and the New Orleans Saints Training Facility.

SMG is a worldwide entertainment and convention venue management company which has been contracted by the State to manage the Mercedes-Benz Superdome, Smoothie King Center and

Champions Square. It was founded in 1977 with the management of their first facility, the Louisiana Superdome. Per the Management Agreement between the State of Louisiana and SMG, the State is required to insure SMG's operations of the Mercedes-Benz Superdome, Smoothie King Center, and Champions Square. This includes coverage for Workers' Compensation, Commercial General Liability, and Crime, which includes employee theft.

Third-Party Administrator:

Sedgwick Claims Management Services, Inc. (Sedgwick) is the contracted third-party administrator for ORM claims and loss prevention services. Claims below the self-insured threshold will be adjusted through the TPA on behalf of all State agencies, including the Superdome. The dedicated ORM-Sedgwick website can be found at <http://www.laorm.com>.

Louisiana State University Agricultural and Mechanical College

Louisiana State University and Agricultural and Mechanical College (hereinafter referred to as LSU) is the flagship University of the State of Louisiana. The University's fundamental mission is teaching, research, and public service. Although the LSU System includes several other significant components, broker services provided under this contract are excluded ONLY for the flagship LSU - Baton Rouge, the Paul M. Hebert Law Center, and the LSU Board of Supervisors. The LSU Office of Risk Management, which reports to the Vice Chancellor of Finance and Administrative Services, works in conjunction with the State Office of Risk Management to manage the University's insurance portfolio. As provided for by LaGrad Act 2.0 LA R.S. 3139.5 (5) (c) LSU has been granted exemption from the LA R.S. 39:1527, et seq. LSU Risk Management has implemented a fully autonomous risk and insurance management program effective on July 1, 2015.

Office of the Attorney General

Additionally, as required by Louisiana Revised Statutes 39:1533 – Self-insurance fund: B. The representation of the state and state agencies in all claims covered by the Self-Insurance Fund, and in all tort claims whether or not covered by the Self-Insurance Fund, shall be provided by the attorney general or by private legal counsel appointed by the attorney general, with the concurrence of the commissioner of administration in accordance with the provisions of R.S. 49:258.

Various schedules and documents relating to this RFP can be found at <http://www.doa.la.gov/Pages/orm/RFP-.aspx>.

1.3 Goals and Objectives

ORM desires to contract with a qualified Contractor who will provide insurance brokerage and consulting services to assist ORM in fulfilling its critical role to ensure proper protection of the State's assets and activities on behalf of the State's citizens and taxpayers.

1.4 Term of Contract

The term of any contract resulting from this RFP shall begin on or about January 1, 2018 and is anticipated to end on December 31, 2022. As required by LA R.S. 39:1540, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. The total contract term shall not exceed five (5) years. The continuation

of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

1.5 Definitions

- A. Shall and Will– The terms “shall” and “will” denote mandatory requirements.
- B. Must - The term “must” denotes mandatory requirements.
- C. May and Can- The terms “may” and “can” denote an advisory or permissible action.
- D. Should – The term “should” denotes a desirable action.
- E. Contractor – Any person having a contract with a governmental body; the selected proposer.
- F. Agency- Any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of this state authorized to participate in any contract resulting from this solicitation.
- G. State- The State of Louisiana.
- H. Discussions- For the purposes of this RFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to this RFP.
- I. DOA - Division of Administration
- J. ORM – Office of Risk Management
- K. Proposer – An individual or organization submitting a proposal in response to this RFP.
- L. RFP – Request for Proposal
- M. LSED – Louisiana Stadium and Exposition District
- N. ORM - The State of Louisiana, Office of Risk Management

1.6 Schedule of Events

<u>Event</u>	<u>Date</u>
RFP Release Date	September 18, 2017
Deadline for receipt of written inquiries	September 28, 2017 (4:00 PM CT)
Issue responses to written inquiries	October 12, 2017

Proposal Submission Deadline (Deadline for receipt of proposals)	October 20, 2017 (4:00 PM CT)
Tentative Dates of Oral Presentations/Discussions	November 8 – 10, 2017
Tentative Date for Notice of Intent to Award Announcement	December 1, 2017
Estimated Contract Execution	February 1, 2018

NOTE: The State of Louisiana reserves the right to revise this schedule. Revisions, if any, before the Proposal Submission Deadline will be formalized by the issuance of an addendum to the RFP.

1.7 Proposal Submittal

Firms or individuals who are interested in providing services requested under this RFP must submit a proposal containing the mandatory information specified in sections 1.8, 1.9, and 1.23. The proposal must be received in hard copy (printed) version by the RFP Coordinator on or before the time and date specified in the Schedule of Events. FAX or e-mail submissions shall not be acceptable. Proposers mailing their proposals should allow sufficient mail delivery time to ensure receipt of their proposal by the time specified. The proposal package must be delivered at the Proposer's expense to:

Ms. Kristy Breaux
 State Risk Underwriting Manager
 Office of Risk Management
 Post Office Box 91106
 Baton Rouge, Louisiana 70821-9106

For courier delivery:

Office of Risk Management
 Claiborne Building, Suite G-192
 1201 North Third Street
 Baton Rouge, Louisiana
 Telephone: (225) 342-8500

The responsibility solely lies with each proposer to ensure their proposal is delivered at the specified place and prior to the deadline for submission. **Proposals received after the deadline will be returned and not considered.**

1.8 Qualifications for Proposer

1.8.1 Mandatory Minimum Qualifications of Proposer

Proposers must meet the following minimum qualifications. Failure to respond to or comply with any of the following will result in disqualification of the proposal.

- The proposer must have a surplus lines broker's license. Proof of such license is required and must be submitted with the proposal.

- The proposer must have professional liability (error and omissions) coverage with a limit of at least \$10,000,000 per occurrence. Proof of such coverage must be submitted with the proposal.
- The proposer must have experience in structuring, placing, binding, and servicing complex commercial property and casualty insurance programs. At least one (1) example of such experience must be a public entity. Reference information must be listed for each example and should include the organization name, contact name, title, telephone number, and email address, along with the number of years as a client. All references must not be from a person, company or organization with any interest, financial or otherwise, in the proposer's organization.
- The Proposer must provide paper copies of, or an internet link to, two (2) years of annual financial statements, beginning with the most recently completed year (audited if available). The financial statements should be detailed enough for ORM to analyze and assess the Proposer's financial position. Financial statements of the parent company are acceptable. If a parent company's financial statements are submitted, an official document(s), such as an annual report or a Secretary of State registration, must also be submitted.

1.9 Proposal Response Format

Proposers should respond to this RFP with a Technical Proposal and a completed Cost Proposal Form. Proposer shall utilize Attachment II to provide the fixed annual fees.

Proposals submitted for consideration should follow the format and order of presentation described below:

A. Proposal Content

Proposals should be typed and submitted on 8.5 by 11 inch paper bound securely and page-numbered. Proposal information should be organized and presented in the order indicated below. The headings and subheadings should be separated by tabs.

Tab 1 Executive Summary

Tab 1,A Cover Letter and Administrative Information

Tab 1,B Contract Compliance

Tab 2 Response to Mandatory Minimum Qualifications of Proposer

The proposer must include completed Minimum Qualifications Statement (see Attachment IV). All required documentation to be submitted with Attachment III should be placed in the order that the qualifications are numbered.

Tab 3 Corporate Background & Experience

Tab 3,A Corporate Background

Tab 3,B Experience with Similar-sized Accounts and References

Tab 3,C Description of Service Office

- Tab 3,D Public Entity and Higher Education Experience
- Tab 4 **Veteran-Owned and Service-Connected Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs**
 - Tab 4,A Business Name and Documentation of Status (see 1.9 E)
- Tab 5 **Proposed Project Staff**
 - Tab 5,A Key Staff and Resumes
 - Tab 5,B Staff Licenses
 - Tab 5,C Accessibility of Staff
 - Tab 5,D Company Senior Management
 - Tab 5,E Subcontractor Information
- Tab 6 **Approach & Methodology**
- Tab 7 **Cost Proposal Form & Documentation** (See Attachment II)
- Tab 8 **Additional Forms Required**
 - Certification Statement (see Attachment III)
 - Corporation Requirements (see 1.46)

B. TAB 1 Executive Summary

This section should serve to introduce the scope of the proposal. It should include a cover letter, on proposer's official business letterhead, referencing administrative information including, , proposer contact name and phone number, and the stipulation that the proposal is valid for a time period of at least 90 calendar days from the date of submission. This section should also include a summary of the proposer's qualifications and ability to meet the State agency's overall requirements in an appropriate time frame.

It should include a positive statement of compliance with the contract terms. The proposer should submit language or terms that its company may seek to add to the boilerplate provisions. While final wording will be resolved during contract negotiations, the intent of the provisions will not be substantially altered.

C. TAB 2 - Minimum Qualifications

See Attachment IV.

D. TAB 3 - Corporate Background and Experience

The proposer should give a brief description of their company including the following: a brief history, corporate structure and organization, number of years in business, size, scope,

capability, and areas of specialization. The proposer should identify the parent corporation or other entities with significant financial interest in the proposer.

Proposers should include in their proposals a list of all organizations with similar sized accounts and similar risks with whom the proposer has done business within the last three (3) years. For each organization, the proposer should include the name, title, address, and telephone number of a contact person. The State will determine which, if any, references to contact to assess the quality of work performed and personnel assigned to the project.

The proposer should describe the size and location of the office from which the State's account would be serviced. The proposer should explain the risk management services (including statistical and quantitative capabilities, risk identification and evaluation methods and data processing services) available at that office. Also, the proposer should provide the total annual premium volume serviced by the office. The proposer should describe the service office's three (3) largest existing accounts. If proposer intends to utilize other regional or national offices, describe the services they would provide on this account.

The proposer should describe the experience and capabilities of the proposer in providing similar services to those required. The proposer should be specific and identify projects, dates, and results. The Proposer should provide detailed information regarding any past experience, including number of years, and premium volume written with public entity organizations or applicable programs. The Proposer should describe direct experience, including number of years, with any procurement of governmental insurance.

If the Proposer plans to utilize subcontractors, the Proposer should provide the same information for each subcontractors as requested for the proposer.

E. TAB 4 - Veteran-Owned and Service-Connected Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships to participate in contracting and procurement with the State. Veteran-Owned and Service-Connected Disabled Veteran-Owned small entrepreneurships (LaVet) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) small entrepreneurships are certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at <https://smallbiz.louisianaeconomicdevelopment.com>.

Ten percent (10%) of the total evaluation points on this RFP are reserved for proposers who are themselves a certified Veteran (LaVet) and/or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurships as subcontractors.

If a proposer is certified as a Hudson **and** a Veteran small entrepreneurship, the maximum points to be reserved is ten percent (10%) of the total evaluation points

If a proposer is not a certified Hudson or Veteran small entrepreneurship as described herein, but plans to use certified Hudson or Veteran small entrepreneurships, proposer shall include in its proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

Reserved points shall be added to the applicable proposer's evaluation score as follows:

Proposer Status and Reserved Points

Proposer is a certified LaVet or Hudson small entrepreneurship: Full amount of the reserved points.

Proposer is not a certified LaVet or Hudson small entrepreneurship but has engaged one or more LaVet or Hudson certified small entrepreneurs to participate as subcontractors.

Points will be allocated based on the following criteria:

- the number of LaVET and Hudson certified small entrepreneurs to be utilized
- the experience and qualifications of the certified LaVET and small entrepreneurship(s)
- the anticipated earnings to accrue or the percentage of work subcontracted to the certified LaVET and Hudson small entrepreneurship(s)

During the term of the contract and at expiration, the Contractor will also be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

The statutes (R.S 39:2171 et. seq.) concerning the Veteran Initiative and the statutes (R.S 39:2001 et. seq.) concerning the Hudson Initiative may be viewed <http://legis.la.gov/lss/lss.asp?doc=96265>. The rules for the Veteran Initiative (LAC 19:VII. Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII Chapters 11 and 13) may be viewed at <http://www.doa.louisiana.gov/osp/se/se.htm>.

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurs may be obtained from the Louisiana Economic Development Certification System at <https://smallbiz.louisianaeconomicdevelopment.com>. Additionally, a list of Hudson and Veteran Initiative small entrepreneurs, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?quest_user=self_reg may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network <http://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>. When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

F. TAB 5 - Proposed Project Staff

The proposer should identify by name and provide resumes describing the education and work experience for each of the key staff who would be assigned to the account on a permanent basis. The proposer should provide titles, professional designations, area(s) of expertise, number of other accounts to which they are assigned, and number of years of experience. The proposer should identify the primary point of contact and backup point of contact. Also identify any alternate staff if the key staff are unavailable;

The proposer should identify whether the key staff hold the appropriate license(s) to transact business in Louisiana. The proposer should also disclose whether brokerage staff in the past five

years have been, or are currently, the subject of a complaint investigation or administrative action by the Office of the Commissioner of Insurance or another State insurance regulatory body.

The proposer should briefly describe the role the key staff will play and an indication of the percent of their time that will be allotted for the State's account. The proposer should indicate the accessibility to those staff if proposer is awarded a contract. The proposer should also describe the process that will be used before a key staff person assigned to the State's account is replaced.

If proposer is awarded a contract, the proposer should describe what access the State will have to proposer's senior management. The proposer should identify the senior management and provide their titles.

If subcontractor(s) will be used, the proposer should clearly identify any subcontractor arrangements. Information requested of the proposer, as described in 1.9D through 1.9F of this section, is also requested for each proposed subcontractor.

G. TAB 6 - Approach and Methodology

The proposer should communicate understanding of the nature of the project and how its proposal will best meet the needs of ORM. Specialized or unique facilities, services, and/or staff members that will be utilized for the contract should be described with the benefits of such explained. The following concepts should be addressed:

- Define the functional approach in providing the services.
- Define the tasks necessary to meet requirements, giving detailed descriptions of each.
- Describe the approach to time management and quality assurance.
- Provide a proposed work plan that reflects the approach and methodology, tasks and services to be performed, deliverables, timetables, and staffing.
- Provide a detailed description of any innovative concepts that the proposer will be offering at no additional cost to the State.
- Alternative pricing methods may be provided for consideration, as an additional option to the mandatory Fixed Annual Fee.

H. TAB 7 - Cost Proposal Form

The proposer shall provide separate fixed annual fees inclusive of travel, all consulting expenses, costs for use of a domestic wholesaler, if applicable, and a maximum 10% commission rate for the use of foreign wholesale/intermediary brokers, if applicable for providing all services described in the RFP for the Statewide property and casualty program. Proposer shall utilize Attachment II to provide the fixed annual fees. The fixed annual fee must be a whole dollar amount, and note that zero (0) or none shall not be considered a valid response.

For information purposes, the proposer should provide the total estimated number of hours, by classification, for the proposer's staff, the billing rate by classification, and an estimated percentage of the effort that will be completed by a subcontractor (if applicable).

I. TAB 8 – Additional Forms Required

See Attachment III, Certification Statement and 1.46, Corporation Requirements.

See Attachment IV, Electronic Vendor Payment Solutions

J. Outsourcing of Key Internal Controls:

Not applicable for this RFP.

1.10 Number of Copies of Proposals

ORM requests that six (6) of copies of the proposal be submitted to the RFP Coordinator at the address specified. At least one (1) copy of the proposal shall contain original signatures of those company officials or agents duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority should be submitted if proposer is a corporation. The copy of the proposal with original signatures will be retained for incorporation in any contract resulting from this RFP.

Additionally, proposers should submit electronic copies of the proposal, one redacted and one unredacted. The Proposer shall submit the electronic copies on a CD or a flashdrive.

1.11 Technical and Cost Proposals

Proposals should be submitted as specified in Section 1.9, and should include enough information to satisfy evaluators that the proposer has the appropriate experience and qualifications to perform the scope of services as described herein. Proposers should respond to all requested areas.

1.12 Legibility/Clarity

Responses to the requirements of this RFP in the formats requested are desirable with all questions answered in as much detail as practicable. The Proposer's response should demonstrate an understanding of the requirements. Proposals prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP are also desired. Each Proposer shall be solely responsible for the accuracy and completeness of its proposal.

1.13 Confidential Information, Trade Secrets, and Proprietary Information

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the contractor. If the methods and procedures employed by the contractor for the protection of the contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.

Under no circumstance shall the contractor discuss and/or release information to the media concerning this project without prior express written approval of the Office of Risk Management.

Only information which is in the nature of legitimate trade secrets or non-published financial data shall be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, R.S. 44: 1-44 and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety shall be rejected without further consideration or recourse.

1.14 Proposal Clarifications Prior to Submittal

1.14.1 Pre-proposal Conference

NOT APPLICABLE FOR THIS SOLICITATION

1.14.2 Proposer Inquiries

Written questions regarding RFP requirements or Scope of Services must be submitted to the RFP Coordinator as listed below.

RFP Coordinator: Ms. Kristy Breaux, State Risk Underwriting Manager

<u>Postal Address</u>	<u>Common Carrier Address</u>
Office of Risk Management Post Office Box 91106 Baton Rouge, Louisiana 70821-9106	Office of Risk Management Claiborne Building, Suite G-192 1201 North Third Street Baton Rouge, Louisiana
FAX: (225) 342-8598 EMAIL: Kristy.Breaux@la.gov	

The State will consider written inquiries and requests for clarification of the content of this RFP received from potential proposers. Written inquiries must be received by the date and time specified in the Schedule of Events. The State reserves the right to modify the RFP should a change be identified that is in the best interest of the State.

Official responses to all questions submitted by potential proposers will be posted by the date specified in the Schedule of Events at the following websites:

<https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

<http://www.doa.la.gov/Pages/orm/RFP-.aspx>

Only the RFP Coordinator or her designee has the authority to officially respond to proposer's questions on behalf of the State. Any communications from any other individuals are not binding to the State.

1.14.3 Blackout Period

The blackout period is a specified period of time during a competitive sealed procurement process in which any Proposer, bidder, or its agent or representative, is prohibited from communicating with any State employee or contractor of the State involved in any step in the procurement process

about the affected procurement. The blackout period applies not only to state employees, but also to any contractor of the State. "Involvement" in the procurement process includes but may not be limited to project management, design, development, implementation, procurement management, development of specifications, and evaluation of proposals for a particular procurement. All solicitations for competitive sealed procurements will identify a designated contact person, as per Proposer Inquiries section of this RFP. All communications to and from potential Proposers, bidders, vendors and/or their representatives during the blackout period must be in accordance with this solicitation's defined method of communication with the designated contact person. The blackout period will begin upon posting of the solicitation. The blackout period will end when the contract is awarded.

In those instances in which a prospective Proposer is also an incumbent contractor, the State and the incumbent contractor may contact each other with respect to the existing contract only. Under no circumstances may the State and the incumbent contractor and/or its representative(s) discuss the blacked-out procurement.

Any bidder, proposer, or State contractor who violates the blackout period may be liable to the State in damages and/or subject to any other remedy allowed by law.

Any costs associated with cancellation or termination will be the responsibility of the Proposer or bidder.

Notwithstanding the foregoing, the blackout period shall not apply to:

- A protest to a solicitation submitted pursuant to La. R.S. 39:1671;
- Duly noticed site visits and/or conferences for bidders or Proposers;
- Oral presentations during the evaluation process
- Communications regarding a particular solicitation between any person and staff of the procuring agency provided the communication is limited strictly to matters of procedure. Procedural matters include deadlines for decisions or submission of proposals and the proper means of communicating regarding the procurement, but shall not include any substantive matter related to the particular procurement or requirements of the RFP

1.15 Error and Omissions in Proposal

The State reserves the right to seek clarification of any proposal for the purpose of identifying and eliminating minor irregularities or informalities.

1.16 Changes, Addenda, Withdrawals

The State reserves the right to change the schedule of events or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at <https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm> and <http://www.doa.la.gov/Pages/orm/RFP-.aspx>

It shall be the responsibility of the Proposer to check the website for addenda to the RFP.

1.17 Withdrawal of Proposal

A Proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To withdraw a proposal, a written request signed by the authorized representative of the Proposer must be submitted to the RFP coordinator identified in the RFP.

If prior to the deadline for submitting the proposal a proposer needs to submit changes or addenda to its proposal, such changes or addenda shall be submitted in writing to the State, in a sealed envelope, clearly cross-referencing the relevant proposal section, and signed by an

authorized representative of the proposer. Changes and/or addenda to proposals shall meet all requirements for proposals.

1.18 Waiver of Administrative Informalities

The State shall reserve the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

1.19 Proposal Rejection/RFP Cancellation

Issuance of this RFP in no way shall constitute a commitment by the State to award a contract. The State shall reserve the right to accept or reject, in whole or part, all proposals submitted and/or cancel this RFP if it is determined to be in the State's best interest.

1.20 Ownership of Proposal

All materials submitted in response to this RFP shall become the property of the State. Selection or rejection of a proposal shall not affect this right.

1.21 Cost of Offer Preparation

The State shall not be liable for any costs incurred by proposers prior to issuance of or entering into a contract. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP shall be entirely the responsibility of the Proposer and shall not be reimbursed in any manner by the State.

1.22 Taxes

Contractor shall be responsible for payment of all applicable taxes from the funds to be received under contract awarded from this RFP.

1.23 Determination of Responsibility

Determination of the proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34:2536. The State must find that the selected proposer:

- Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
- Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
- Is able to comply with the proposed or required time of delivery or performance schedule;
- Has a satisfactory record of integrity, judgment, and performance; and
- Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their proposals contain sufficient information for the State to make its determination by presenting acceptable evidence of the above to perform the contracted services.

1.24 Use of Subcontractors

The State shall have a single prime contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables specified in the RFP and proposal. This general requirement notwithstanding, proposers may enter into subcontractor arrangements, however, shall acknowledge in their proposals total responsibility for the entire contract.

If the proposer intends to subcontract for portions of the work, the proposer shall identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. Information required of the proposer under the terms of this RFP shall also be required for each subcontractor. The prime contractor shall be the single point of contact for all subcontract work.

Unless provided for in the contract with the State, the prime contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of the State.

1.25 Written or Oral Discussions/Presentations

The State, at its sole discretion, may require all proposers reasonably susceptible of being selected for the award to provide an oral presentation of how they propose to meet the agency's program objectives. Commitments made by the Proposer at the oral presentation, if any, will be considered binding.

The agency reserves the right to adjust the original scores based upon information received in the presentation, using the original evaluation criteria.

1.26 Acceptance of Proposal Content

All proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in the RFP. Proposals that are not in compliance will be rejected from further consideration.

1.27 Evaluation and Selection

See Part III: Evaluation

1.28 Best and Final Offers (BAFO)

The State reserves the right to conduct a BAFO with one or more Proposers identified by the evaluation committee to be reasonably susceptible of being selected for an award. If conducted, the Proposers selected will receive written notification of their selection, a list of specific items to address in the BAFO, and instructions for submittal. The BAFO negotiation may be used to assist the State in clarifying the scope of work or to obtain the most cost effective pricing available. .

The written invitation to participate in BAFO will not obligate the State to a commitment to enter into a contract.

After those discussions, points associated with any of the evaluation criteria may be reviewed and adjusted in accordance with the criteria used in the initial scoring.

1.29 Contract Award and Execution

The State reserves the right to enter into a contract based on the initial offers received without further discussion of the proposals submitted. The State reserves the right to contract for all or a partial list of services offered in the proposals.

The RFP, including any addenda added, and the selected proposal shall become part of the contract initiated by the State.

The selected Proposer shall be expected to enter into a contract that is substantially the same as the Sample Contract, **Attachment II**. A Proposer shall not submit its own standard contract terms

and conditions as a response to this RFP. The Proposer should submit in its proposal any exceptions or contract deviations that its firm wishes to negotiate. Negotiations may coincide with the announcement of the selected Proposer.

If the contract negotiation period exceeds ten [10] business days, or if the selected Proposer fails to sign the final contract within ten [10] business days of delivery, the State may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

1.30 Notice of Intent to Award

The Evaluation Team shall compile the scores and make a recommendation to the head of the agency on the basis of the responsive and responsible proposer with the highest score.

The State will notify the successful Proposer and proceed to negotiate terms for the final contract. Unsuccessful proposers will be notified in writing accordingly.

The proposals received (except for that information appropriately designated as confidential in accordance with R.S. 44.1 et seq), selection memorandum, list of criteria used with the weight assigned each criteria, scores of each proposal considered along with a summary of scores, and a narrative justifying selection shall be made available, upon request, to all interested parties after the "Notice of Intent to Award" letter has been issued.

Any person aggrieved by the proposed award has the right to submit a protest in writing, in accordance with La. R.S. 39:1671, to the Director of State Procurement, within fourteen (14) days of the award/intent to award. The "Notice of Intent to Award" letter starts the protest period.

The award of a contract shall be subject to the approval of the Division of Administration, Office of State Procurement.

1.31 Right to Prohibit Award

In accordance with the provisions of R.S. 39:2192, any public entity shall be authorized to reject a proposal from, or not award a contract to, a business in which any individual with an ownership interest of five percent or more, has been convicted of, or has entered a plea of guilty or nolo contendere to any state felony or equivalent federal felony crime committed in the solicitation or execution of a contract or RFP awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, and all contracts under Title 39, Chapter 17 of the Louisiana Procurement Code, including contracts for professional, personal, consulting, and social services.

1.32 Insurance Requirements for Contractors

The Contractor shall maintain the insurance as shown in Exhibit A attached to this contract for the full term of the contract. Failure to comply shall be grounds for termination of this contract.

1.33 Indemnification and Limitation of Liability

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors. Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or

omission of Contractor, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent. The State of Louisiana may, but is not required to, consult with the Contractor in the defense of claims, but this shall not affect the Contractor's responsibility for the handling of and expenses for all claims.

Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.

The State and Authorized User may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

1.33.1 Copyright Infringement

If applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue

using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

1.34 Payment

Billing and payment terms shall be negotiated with the successful proposer. The Contractor shall invoice the Office of Risk Management directly and payment shall be made by the Office of Risk Management directly to the Contractor in accordance with the payment terms agreed to under the contract.

1.34.1 Electronic Vendor Payment Solutions

The State desires to make payment to the awarded Proposer(s) electronically. The methods of payment may be via EVP, a method that converts check payments to a Visa credit card account with unique security features and electronic remittance notifications, or via EFT, a method in which payment is sent directly from the State's bank to the payee's bank. Please see Attachment III for additional information regarding electronic payment methods and registration.

1.35 Termination

1.35.1 Termination of the Contract for Cause

State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the State to cure the defect.

1.35.2 Termination of the Contract for Convenience

The State may terminate the Contract at any time without penalty by giving thirty (30) calendar days' written notice to the Contractor of such termination or negotiating with the Contractor an effective date. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

1.35.3 Termination for Non-Appropriation of Funds

The continuation of this contract shall be contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose,

and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

1.36 Assignment

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

1.37 Right to Audit

The State Legislative Auditor, internal auditors of the Division of Administration, agency auditors, and if applicable, federal auditors shall be entitled to audit the books and records of a contractor or any subcontractor under any negotiated contract or subcontract to the extent that such books and records relate to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of five (5) years from the date of final payment under the prime contract and by the subcontractor for a period of five (5) years from the date of final payment under the subcontract.

1.38 Civil Rights Compliance

The contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

1.39 Record Ownership

All records, reports, documents, or other material related to any contract resulting from this RFP and/or obtained or prepared by the Contractor in connection with the performance of the services contracted for herein shall become the property of the State and shall, upon request, be returned by the Contractor to the State, at the Contractor's expense, at termination or expiration of the contract.

All records, reports, documents and other material delivered or transmitted to Contractor by ORM shall remain the property of ORM, and shall be returned by Contractor to ORM, at Contractor's expense, at termination or expiration of this contract.

Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if an eventual contract is terminated and/or a lawsuit is filed. Specifically, the Contractor does not have the right to limit or impede the State's right to audit or to withhold State owned documents.

1.40 Entire Agreement/ Order of Precedence

This contract, together with the RFP and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's RFP, and any exhibits specifically incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter.

In the event of any inconsistent or incompatible provisions, this signed agreement (excluding the RFP and the Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's proposal.

1.41 Contract Modifications

No amendment or variation of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract shall be binding on any of the parties.

1.42 Substitution of Personnel

The Contractor's personnel assigned to this Contract shall not be replaced without the prior written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to a project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. The Contractor will make every reasonable attempt to assign the personnel listed in his proposal.

1.43 Governing Law

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

1.44 Claims or Controversies

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1672.2-1672.4.

1.45 Code of Ethics

Proposers shall be responsible for determining that there will be no conflict or violation of the Louisiana Ethics Code if their company is awarded the contract. The Louisiana Board of Ethics shall be the only entity which can officially rule on ethics issues.

1.46 Corporate Requirements

If the contractor is a corporation not incorporated under the laws of the State of Louisiana, the contractor shall have obtained a certificate of authority pursuant to R. S. 12:301-302 from the Louisiana's Secretary of State. If the contractor is a for-profit corporation whose stock is not publicly traded, the contractor shall ensure that a disclosure of ownership form has been properly filed with the Louisiana's Secretary of State.

PART II: SCOPE OF WORK/SERVICES

2.1 Scope of Work

See Attachment I: Scope of Services

PART III: EVALUATION

3.1 Evaluation Team

The evaluation of proposals will be accomplished by an evaluation team, to be designated by the State, which will determine the proposal most advantageous to the State, taking into consideration price and the other evaluation factors set forth in the RFP.

3.2 Clarification of Proposals

The State reserves the right to seek clarification of any proposal for the purpose of identifying and eliminating minor irregularities or informalities.

3.3 Evaluation and Review

Proposals that pass Section 1.8 Minimum Qualifications Review will be evaluated based on the information and content provided in the proposal.

EVALUATION CRITERIA	POSSIBLE POINTS
Qualifications and Experience:	90
Approach and Methodology	120
Veteran and Hudson Initiative	30
Financial Proposal	60
Total Points	300

A. Evaluation Procedure

Each proposal will be subject to the Minimum Qualifications Review (1.8). Failure to respond to or comply with any of the minimum qualifications will result in disqualification of the proposal.

- a. If all requirements are met, each proposal will then be evaluated and assigned points for each category as shown in 3.3.
- b. Proposers with proposals that are reasonably susceptible of being selected for award may be invited to provide oral discussions and presentations.
- c. After those discussions, points associated with any of the evaluation criteria may be reviewed and adjusted in accordance with the criteria used in the initial scoring.
- d. The proposal with the highest Total Points will be recommended for award.

B. Qualifications and Experience

The following criteria are of importance and relevance to the evaluation of this RFP which include but are not limited to the following:

- Proposer Qualifications based on company history, number of years in business, size, capabilities, specializations, education and work experience of proposed key staff

- Proposer Experience with public entity accounts
- Subcontractor Qualifications and Experience, if applicable

C. Approach and Methodology

The following criteria are of importance and relevance to the evaluation of this RFP which include but are not limited to the following:

- Proposed approach and methodology, including detailed descriptions of tasks and services to be performed, deliverables, timetables, and staffing
- Specialized facilities, services or staff
- Provide a detailed description of any innovative concepts that the proposer will be offering at no additional cost to the State.

D. Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation

Ten percent (10%) of the total evaluation points on this RFP shall be reserved for Proposers who are themselves a certified Veteran(LaVET) and/or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurships as subcontractors.

Reserved points shall be added to the applicable Proposers' evaluation score as follows:

Proposer Status and Reserved Points

- Proposer is a certified LaVET or Hudson small entrepreneurship: Full amount of the reserved points
- Proposer is not a certified LaVET or Hudson small entrepreneurship but has engaged one or more LaVET or Hudson certified small entrepreneurships to participate as subcontractors.
- Points will be allocated based on the following criteria:
 - the necessity of the services to fulfill Attachment I Scope of Services
 - the number of LaVET and certified small entrepreneurships to be utilized
 - the experience and qualifications of the certified LaVET and small entrepreneurship(s)
 - the anticipated earnings to accrue or the percentage of work subcontracted to the certified LaVET and Hudson small entrepreneurship(s)

If the Proposer is not a certified Hudson or Veteran small entrepreneurship as described herein, but plans to use certified Hudson or Veteran small entrepreneurship(s), Proposer shall include in their proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

E. Cost Evaluation

All proposers shall receive cost points based upon the following formula, with a maximum of 60 allowable points. Please note that zero (0) is not a valid cost proposal.

$$\text{BCS} = (\text{LPC}/\text{PC} \times 60)$$

Where: BCS = Computed cost score (points) for proposer being evaluated
 LPC = Lowest proposed total cost of all proposers
 PC = Total cost of proposer being evaluated

PART IV: PERFORMANCE STANDARDS

4.1 Performance Requirements

The contract will be considered complete when Contractor has delivered and ORM has accepted all deliverables specified in the Statement of Work.

4.2 Performance Measurement/Evaluation/Monitoring Plan

A contract monitor will be assigned and will monitor the services provided by the Contractor and the expenditure of funds under this contract. The contract monitor will be primarily responsible for the day-to-day contact with the Contractor and day-to-day monitoring of the Contractor's performance.

4.3 Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of the contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

Attachment I: SCOPE OF WORK/SERVICES

1.1 Scope of Work

A single Contractor will be the State of Louisiana's insurance broker-of-record and shall develop and place the most effective and cost-efficient insurance coverage, and provide a range of consulting services associated with the Statewide property and casualty programs. The Contractor will provide brokerage and consulting services to assist ORM in fulfilling its critical role to ensure proper protection of the State's assets and activities on behalf of the State's citizens and taxpayers. The Contractor will provide annual review of risk exposure and program structure, develop recommendations and re-structuring options based on relevant market conditions, market coverages, present ORM with competitive quotes with recommendations, and place and service the coverage. Related coverages and services may be added to each program at any time during the contract period and the Contractor must handle all additions.

The current Statewide property program consists of coverage for buildings and business property, equipment breakdown/boiler and machinery, fine arts, specialized equipment, business interruption and various specialty lines encompassing all State Agencies associated obligations as follow:

- Building/Business Personal property/special form including flood
- Terrorism including Nuclear, Biological, Contamination, and Radioactive coverage
- Business Interruption
- Equipment Breakdown
- Fine Arts
- Bridge Property
- National Flood Insurance Program

The current Statewide casualty program consists of coverage for liability, auto, workers compensation and various specialty lines encompassing all State Agencies and associated obligations as follows:

- Commercial General Liability including or independent placement of:
 - Professional Liability
 - Publishers Media
 - Elevator and Escalator Liability
 - Watercraft Liability
 - Public Officials and Employees Liability
 - Employee Benefits Liability
 - Garage Keepers' Liability
 - Special Event/Entertainment Liability
 - Liquor Liability
 - Educators' Legal Liability
 - Law Enforcement Liability
 - Sexual Abuse and Molestation
- Workers' Compensation and Employers' Liability
- Medical Malpractice
- Wet Marine Hull and P&I
- Aircraft Hull and Liability
- Airport Liability
- Cyber Liability
- Publisher's Media
- Automobile Liability and Physical Damage
- Bonds (Fidelity & Surety) and Crime
- Club Sports Liability and Accident
- Intellectual Property Liability
- Student Liability including or independent placement of:
 - Student Organization Liability
 - Student Internship/Professional Liability

- Participant Accident Insurance
- International Travel insurance
- Non-Owned Aircraft Liability
- Master Builder's Risk and/or OCIP
- Crisis Response Management Coverage

Coverage of the Mercedes-Benz Superdome, the Smoothie King Center, Champions Square and SMG is part of the Statewide program, carrying its own segregated policies. The policies will remain separated, although ORM has statutory oversight of the Superdome coverage lines and shall authorize final approval. The State is statutorily obligated to provide only the following casualty coverage lines for: 1) Commercial General Liability including Host Liquor Liability 2) Workers' Compensation and Employers' Liability and 3) Bond and Crime including employee theft.

1.2 Task and Services

The Contractor shall provide, at a minimum, the following services for ORM:

- A. *Act as broker-of-record for new coverages placed during the contract term.*
- B. *Analyze exposure, claims, coverage forms, and current program data to determine various options in property and casualty program structures and provide recommendations to make the program more efficient and effective. Catastrophe modeling through RMS and AIR is required.*
- C. *Identify programs, products, and markets capable of meeting the State's coverage needs. Make recommendations regarding quality of markets, limits, and differences in various markets' terms and conditions.*
- D. *Offer creative solutions and innovative suggestions for ORM to consider.*
- E. *Assist ORM in identifying and organizing pertinent information in order to more effectively market the property and casualty coverage programs. Coordinate the collection of data to include in any market solicitations.*
- F. *With authorization, solicit quotations for the programs. Act as an advocate for the State in communications with the markets and intermediaries, including negotiations of the lowest possible fees and/or deductible options. ORM anticipates participation in the broker meetings with market representatives to assist in the solicitation of the program.*
- G. *For insurance coverage placement, a maximum 10% commission rate will be allowed for those placements utilizing a foreign wholesale/intermediary broker. All foreign wholesale/intermediary compensation must be pre-agreed by ORM and fully disclosed. For all premiums placed through domestic brokers that have a commission component, this commission must be identified and refunded to ORM.*
- H. *Compile quotations for the program in an Excel spreadsheet. Where there are an adequate number of markets to do so, provide multiple quotes for competitive purposes. In the event that this requirement is not possible or recommended, the Contractor must submit an explanation/recommendation to ORM for approval. For those markets that decline to offer a quote on coverage, documentation from the market indicating why they chose not to quote must be provided.*
- I. *Consider quotes from all qualified markets. All contacts from qualified and non-qualified markets must be documented and the Contractor must provide all results to ORM.*
- J. *Upon authorization, bind the program as directed by ORM. Binders and/or confirmation of coverage shall be required upon placement.*
- K. *Review and verify coverage documents received from all bound markets. Determine the coverage placed is correct and verify accuracy of price, rating classification and exposure.*
- L. *In addition to the original paper copies, deliver electronic copies of all coverage documents. All documents shall be submitted electronically (as requested) within 90 calendar days of their effective date. All coverage placed with multiple layers must include an Excel graphic display of the placement showing markets, policy numbers, limits, premiums, taxes, fees, and commissions, if applicable, per layer.*

M. The Contractor is prohibited from accepting any contingent income, profit sharing, enhanced commission, or other forms of hidden income associated with this contract. Confirm that compensation, including direct and contingent, on all market proposals has not been assessed or has been credited to the premium billed.

N. Ensure the timely billing of all documents and endorsements to ORM and assist with premium allocations or breakdowns by agency for internal ORM billing purposes. In the event a Notice of Cancellation has been issued due to nonpayment of premium, work with ORM to resolve the situation and, to the extent possible, make payment on behalf of ORM.

O. Prepare certificates of insurance and endorsements, as requested, within 48 hours on a normal schedule and within 12 hours on a rush schedule.

P. Ensure proper service from markets on coverage placed and endorsements requested.

Q. Assist ORM when other related coverage needs to be added during the term of the contract, at no additional cost.

R. Develop a strategy for any upcoming renewal during the contract period to be presented in writing to ORM a minimum of 90 calendar days before expiration. Include and identify any intended intermediaries used in the solicitation process.

S. Disclose coverage additions and coverage restrictions on all renewal quotes in a chart format as compared to the expiring coverage.

T. Assist ORM with the reporting of claims. Be an advocate for the State on any disputed or problem claims. ORM's third-party administrator shall report the claims to the Contractor and the Contractor will be responsible for the reporting of all claims to the markets. In the event of an incident of high severity, act as an intermediary and advocate for the State with the markets to facilitate communication, data exchange, and prompt resolution of claims.

U. Monitor claims submitted to the markets to ensure they are properly handled and responded to in a timely manner. Provide confirmation to ORM with the markets on all claims, including claim number and representative contact information.

V. As requested by ORM, obtain clarification regarding coverage or claims questions.

W. Provide annual loss runs for each policy a minimum of 60 calendar days before expiration, including any prior year with open losses. These reports shall reflect claims opened and closed and claims reserved and paid by policy year (including all allocated loss adjustment expenses) until all claims are closed. These reports shall be cumulative for the coverage year and not just activity for the year. At ORM's request, loss runs shall be provided at any time during the year.

Information to be reflected on the quarterly report for each individual claim shall include but not be limited to the following:

- Date of Loss;
- Status of claim (open, closed, reopened);
- Brief Description of Loss;
- Name of State Agency;
- Amount of claim as indicated below (by coverage code, if coverage code is applicable);
- Total Incurred;
- Amount paid;
- Amount reserved;
- Amount recovered;
- Amount of loss adjustment expenses; and
- Net Incurred.

X. Advise ORM on a semiannual basis, or as requested, about current developments in the marketplace as to coverages, forms, availability, pricing or other significant developments that would impact the State or vendors/contractors dealing with the State.

Y. Assist ORM with property-related and casualty-related training classes as needed for State agency personnel. Training on specific topics may be determined by ORM or recommended by the Contractor.

Z. Provide risk management and professional services, as requested by ORM, including, but not limited to, identifying and minimizing loss potential, conducting and/or reviewing property inspections, reviewing casualty exposures, researching alternative risk transfer techniques, attending meetings with State agencies, markets, or other consultants.

AA. Provide wet marine appraisal services every three (3) years for all State fleet with survey reports and pictures for each. The valuations will include both replacement cost and market value.

BB. At the request of ORM, research and provide recommendations for foreign and domestic market captives and/or risk retention pools.

BB. Assist ORM with the analysis and reporting required as per Act 715 of the 2014 LA Legislative Regular Session.

CC. Assist with the reports and supporting justification needed for certification of the State's property programs through the Department of Insurance as required by the Stafford Act.

DD. Submit a semi-annual stewardship report outlining intended activities on behalf of the State for the upcoming six months, including the status of all items in the prior six months' reports. Reports shall be provided two weeks after the end of each six-month calendar period.

1.3 Deliverables

A. Key Deliverables

1. Contractor shall bind coverage as agreed upon by ORM within five (5) calendar days of ORM approval.
2. All coverage documents shall be received (electronically, as requested) within 90 calendar days of their effective date.
3. All certificates of insurance and endorsements shall be received within 24 hours on a normal schedule and within 12 hours on a rush schedule.
4. The Contractor will report all claims within 12 hours to the applicable markets when notified by ORM and/or ORM's TPA.

These Key Deliverables will be subject to a performance penalty as follows:

The flat annual fee otherwise due to the Contractor will be reduced by \$1,000 per day when each independent Key Deliverable is not successfully completed and delivered in the timeframe stated herein.

B. Additional Deliverables

1. Claims history and loss runs shall be submitted annually, a minimum of 60 calendar days before expiration, and at any time upon request by ORM.
2. Premium rates and commission rates shall be reported per market per layer on the bound insurance program within thirty (30) calendar days of binding. The preferred method of reporting is an Excel spreadsheet.
3. The costs associated with the contract shall be subject to audit. The Contractor shall submit an annual statement identifying all income earned by each party participating in the placement of each of the casualty coverage programs and verify that no direct or indirect compensation has been retained.

4. All requested reports, analyses, and recommendations shall be submitted in a timely manner as determined by ORM and communicated to the Contractor.
5. Contractor will deliver semi-annual stewardship report two weeks after the end of each six month calendar year period.

1.4 Functional Requirements

LA R.S. 39:1527, et seq, authorizes ORM to be solely responsible for all property and casualty and workers' compensation insurance purchased or self-insured by ORM for all State Departments, Agencies, Boards and Commissions. The mission of ORM is to develop, direct, achieve and administer a cost effective comprehensive risk management program for all departments, agencies, boards and commissions of the State of Louisiana, and for any other entity for which the State has an equity interest, in order to preserve and protect the assets of the State of Louisiana. The Contractor will partner with ORM to determine the most effective and cost-efficient casualty coverage and provide a range of consulting services to assist ORM in reaching and maintaining its goal.

1.5 Technical Requirements

NOT APPLICABLE TO THIS CONTRACT.

1.6 Project Requirements

NOT APPLICABLE TO THIS CONTRACT.

ATTACHMENT II: TOTAL COST PROPOSAL FORM

Proposer Name: _____

1) Fixed annual fee for broker services inclusive of travel, all consulting expenses, and costs for use of a domestic wholesaler, if applicable, for the Statewide property program:

2) Fixed annual fee for broker services inclusive of travel, all consulting expenses, and costs for use of a domestic wholesaler, if applicable, for the Statewide casualty program:

Total Cost (#1 + #2):

The total cost proposed shall fulfill the requirements found in Attachment I, Scope of Services. Proposer shall utilize this Attachment II to provide the fixed annual fees.

The above proposed cost must be firm for at least ninety (90) calendar days.

Authorized Signature: _____

Printed Name and Title: _____

ATTACHMENT III: CERTIFICATION STATEMENT

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT. The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. The Proposer should identify the Contact name and fill in the information below: (Print Clearly)

- A. Official Contact Name: _____
- B. E-mail Address: _____
- C. Facsimile Number with area code: () _____
- D. US Mail Address: _____

Proposer shall certify that the above information is true and shall grant permission to the State or Agencies to contact the above named person or otherwise verify the information provided.

By its submission of this proposal and authorized signature below, Proposer shall certify that:

1. The information contained in its response to this RFP is accurate;
2. Proposer shall comply with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein;
3. Proposer shall accept the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's quote shall be valid for at least 90 calendar days from the date of proposal's signature below;
5. Proposer understands that if selected as the successful Proposer, he/she will have 10 business days from the date of delivery of final contract in which to complete contract negotiations, if any, and execute the final contract document.
6. Proposer shall certify, by signing and submitting a proposal for \$25,000 or more, that their company, any subcontractors, or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov>.)

Signature of Proposer or Authorized Representative _____

Typed or Printed Name: _____

Date: _____

Title: _____

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

ATTACHMENT IV

ELECTRONIC VENDOR PAYMENT SOLUTION

In an effort to increase efficiencies and effectiveness as well as be strategic in utilizing technology and resources for the State and Contractor, the State intends to make all payments to Contractors electronically. The LaCarte Procurement Card will be used for purchases of \$5,000 and under, and where feasible, over \$5,000. Contractors will have a choice of receiving electronic payment for all other payments by selecting the Electronic Vendor Payment solution (EVP) or Electronic Funds Transfer (EFT). If you receive an award and do not currently accept the LaCarte card or EVP or have not already enrolled in EFT, you will be asked to comply with this request by choosing either the LaCarte Procurement Card and/or **ONLY** one (1) of the following options: EVP or EFT. You may indicate your acceptance below.

The **LaCarte** Procurement Card uses a Visa card platform. Contractors receive payment from state agencies using the card in the same manner as other Visa card purchases. Contractors cannot process payment transactions through the credit card clearinghouse until the purchased products have been shipped or received or the services performed.

For all statewide and agency term contracts:

- Under the LaCarte program, purchase orders are not necessary. Orders must be placed against the net discounted products of the contract. All contract terms and conditions apply to purchases made with LaCarte.
- If a purchase order is not used, the Contractor must keep on file a record of all LaCarte purchases issued against this contract during the contract period. The file must contain the particular item number, quantity, line total and order total. Records of these purchases must be provided to the Office of State Purchasing on request.

EVP method converts check payments to a Visa credit card thereby streamlining payments to your organization. Participants receive a credit card account number with unique security features. This card will have \$0 available funds until an invoice is approved for payment. As payments are approved, electronic remittance notifications are sent via email along with approval to charge the card for that amount. EVP requires no change to current invoice procedures; it is secure, and does not require your bank information. Charges may apply.

EFT payments are sent from the State's bank directly to the payee's bank each weekday. The only requirement is that you have an active checking or savings account at a financial institution that can accept Automated Clearing House (ACH) credit files and remittance information electronically. Additional information is available at:

<http://www.doa.la.gov/OSRAP/EFTforWebsite.pdf>.

To facilitate this payment process, you will need to complete and return both EFT enrollment forms found at: <http://www.doa.la.gov/Pages/osrap/Forms/Forms.aspx> and <http://www.doa.la.gov/OSRAP/EFTforWebsite.pdf>

If an award is made to your company, please check which option you will accept or indicate if you are already enrolled.

Payment Type	Will Accept	Already enrolled
--------------	-------------	------------------

LaCarte	_____	_____
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Choose ONLY One (1) of the following options:

Payment Type	Will Accept	Already enrolled
--------------	-------------	------------------

EVP	_____	_____
EFT	_____	_____

Printed Name of Individual Authorized

Authorized Signature for payment type chosen

Date

Email address and phone number of authorized individual

ATTACHMENT V: MANDATORY MINIMUM QUALIFICATIONS STATEMENT

Proposers must respond to the following questions as well as attach required documentation.

YES	NO		QUESTIONS	REQUIRED DOCUMENTATION
<input type="checkbox"/>	<input type="checkbox"/>	1.	Does proposer have a surplus lines broker's license?	Proof of such license is required and must be attached.
<input type="checkbox"/>	<input type="checkbox"/>	2.	Does proposer have Professional Liability (errors and omissions) with a limit of at least \$10,000,000 per occurrence?	Proof of such coverage in the form of a signed certificate of insurance must be attached.
<input type="checkbox"/>	<input type="checkbox"/>	3.	The proposer must have experience in structuring, placing, binding, and servicing complex commercial property and casualty insurance programs. At least one (1) example of such experience must be a public entity. Reference information must be listed for each example and should include the organization name, contact name, title, telephone number, and email address, along with the number of years as a client. All references must not be from a person, company or organization with any interest, financial or otherwise, in the proposer's organization.	Include this information as part of Tab 3, B: Experience with Similar-sized Accounts and References
<input type="checkbox"/>	<input type="checkbox"/>	4.	Has proposer submitted paper copies of, or an internet link to, two (2) years of annual financial statements, beginning with the most recently completed year (audited if available). The financial statements should be detailed enough for ORM to analyze and assess the Proposer's financial position. Financial statements of the parent company are acceptable. If a parent company's financial statements are submitted, an official document(s), such as an annual report or a Secretary of State registration, must also be submitted.	The described financial statements must be attached or an internet link provided. Parent to subsidiary documentation included, if needed.

ATTACHMENT VI: SAMPLE CONTRACT

STATE OF LOUISIANA CONTRACT

On this ____ day of _____, 20____, the State of Louisiana, Office of Risk Management, hereinafter sometimes referred to as the "ORM", and [CONTRACTOR'S NAME AND LEGAL ADDRESS INCLUDING ZIP CODE], hereinafter sometimes referred to as the "Contractor", do hereby enter into a contract under the following terms and conditions.

1.0 SCOPE OF SERVICES

1.1 CONCISE DESCRIPTION OF SERVICES

A single Contractor will be the State of Louisiana's insurance broker-of-record and shall develop and place the most effective and cost-efficient insurance coverage, and provide a range of consulting services associated with the Statewide property and casualty programs. The Contractor will provide brokerage and consulting services to assist ORM in fulfilling its critical role to ensure proper protection of the State's assets and activities on behalf of the State's citizens and taxpayers. The Contractor will develop re-structuring program options, market the coverage, present ORM with competitive quotes with recommendations, and place and service the coverage. Related coverages and services may be added to each program at any time during the contract period and the Contractor must handle all additions.

The current Statewide property program consists of coverage for buildings and business property, equipment breakdown/boiler and machinery, fine arts, specialized equipment, and business interruption coverage. Possible placement and servicing of National Flood Insurance Program (NFIP) policies must be included.

The current Statewide casualty program consists of coverage for general, professional, and media liability encompassing all State Agencies and various professional obligations. The program may include excess/reinsurance on certain lines, and includes coverage of students, student organizations and related programs.

The Statewide casualty program shall encompass services for:

- Commercial General Liability including or independent placement of:
 - Professional Liability
 - Publishers Media
 - Elevator and Escalator Liability
 - Watercraft Liability
 - Public Officials and Employees Liability
 - Employee Benefits Liability
 - Garage Keepers' Liability
 - Special Event/Entertainment Liability
 - Liquor Liability
 - Educators' Legal Liability
 - Law Enforcement Liability
 - Sexual Abuse and Molestation
- Workers' Compensation and Employers' Liability
- Medical Malpractice
- Wet Marine Hull and P&I
- Aircraft Hull and Liability
- Airport Liability
- Cyber Liability
- Publisher's Media
- Automobile Liability and Physical Damage

- Bonds (Fidelity & Surety) and Crime
- Club Sports Liability and Accident
- Intellectual Property Liability
- Student Liability including or independent placement of:
 - Student Organization Liability
 - Student Internship/Professional Liability
 - Participant Accident Insurance
- International Travel insurance
- Non-Owned Aircraft Liability
- Master Builder's Risk and/or OCIP
- Crisis Response Management Coverage

Coverage of the Mercedes-Benz Superdome, the Smoothie King Center, Champions Square and SMG is part of the Statewide program, carrying its own segregated policies. The policies will remain separated, although ORM has statutory oversight of the Superdome coverage lines and shall authorize final approval. The State is statutorily obligated to provide only the following casualty coverage lines for: 1) Commercial General Liability including Host Liquor Liability 2) Workers' Compensation and Employers' Liability and 3) Bond and Crime including employee theft.

1.1.1 GOALS AND OBJECTIVES

See Attachment I, Scope of Services.

1.1.2 PERFORMANCE MEASURES

The performance of the contract will be measured by the contract monitor, authorized on behalf of the State, to evaluate the contractor's performance against the criteria in the Statement of Work and are identified as:

[LIST PERFORMANCE MEASURES WHICH SHOULD BE MEASURABLE AND TIME BOUND]

1.1.3 MONITORING PLAN

The contract monitor, _____, or his/her designee, will monitor the services provided by the Contractor and the expenditure of funds under this contract. The contract monitor will be primarily responsible for the day-to-day contact with the Contractor and day-to-day monitoring of the Contractor's performance.

1.1.4 DELIVERABLES

The Contract will be considered complete when Contractor has delivered and ORM has accepted all deliverables specified in the Statement of Work.

1.1.5 Veteran/Hudson Small Entrepreneurship Program Participation

During the term of the contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

1.1.6 SUBSTITUTION OF KEY PERSONNEL

The Contractor's personnel assigned to this Contract shall not be replaced without the written consent of the ORM. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any ORM or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project

outside this contract, outside of ORM's or Contractor's reasonable control, as the case may be, ORM or the Contractor, shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. The contractor will make every reasonable attempt to assign the personnel listed in his proposal.

2.0 ADMINISTRATIVE REQUIREMENTS

2.1 TERM OF CONTRACT

The term of any contract resulting from this RFP shall begin on or about January 1, 2018 and is anticipated to end on December 31, 2022. As required by LA R.S. 39:1540, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. The total contract term, shall not exceed five (5) years. The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.-

2.2 STATE FURNISHED RESOURCES

Notwithstanding the Contractor's responsibility for management during the performance of this contract, The contract monitor, or his/her designee, shall be the principal point of contact on behalf of the State.

2.3 TAXES

Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract. Contractor's federal tax identification number is _____.

3.0 COMPENSATION, MAXIMUM AMOUNT OF CONTRACT

In consideration of the services required by this contract, ORM hereby agrees to pay to Contractor a fixed annual fee of \$ *[TO BE INSERTED]*. Contractor will not be compensated for more than the total cost proposed in the Contractor's response to the RFP. Payments are predicated upon successful completion and written approval by ORM of the described tasks and deliverables as provided in Attachment I, Scope of Services. Payments will be made to the Contractor after written acceptance by ORM of the tasks and approval of an invoice. ORM will make every reasonable effort to make payments within 30 calendar days of the approval of invoice and under a valid contract. Payment will be made only on approval of *(Name of Designee)*.

During the execution of tasks contained in Attachment I, Scope of Services, the Contractor may submit invoices, not more frequently than monthly. The payment terms are as follows:

ORM reserves the right to reduce the flat annual fee otherwise due to the Contractor by \$1,000 per day when each independent Key Deliverable, found in Section 2. A. of Attachment I, Scope of Services, is not successfully completed and delivered in the timeframe stated herein. If circumstances arise that are out of the control of the Contractor and will impact Contractor's performance, a clear explanation must be provided as soon as possible.

Payment of insurance premiums will be made under this contract and through the Contractor when approved programs are bound. Contractor will invoice insurance premiums separately from Contractor's fee. Contractor will be responsible to forward payment to the applicable markets. Any commission included in premiums for domestic/foreign wholesalers shall be disclosed and returned to ORM.

4.0 TERMINATION

4.1 TERMINATION OF THE CONTRACT FOR CAUSE

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the state to cure the defect.

4.2 TERMINATION FOR CONVENIENCE

State may terminate the Contract at any time without penalty by giving thirty (30) calendar days' written notice to the Contractor of such termination or negotiating with the Contractor an effective date. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

4.3 TERMINATION FOR NON-APPROPRIATION OF FUNDS

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

5.0 INDEMNIFICATION & LIMITATION OF LIABILITY

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors. Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Contractor, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are

groundless, false or fraudulent. The State of Louisiana may, but is not required to, consult with the Contractor in the defense of claims, but this shall not affect the Contractor's responsibility for the handling of and expenses for all claims.

Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.

The State and Authorized User may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

5.1 COPYRIGHT INFRINGEMENT

If applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

6.0 CONTRACT CONTROVERSIES

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1672.2-1672.4.

7.0 FUND USE

Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

8.0 ASSIGNMENT

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

9.0 RIGHT TO AUDIT

The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract for a period of five (5) years from the date of the last payment made under this contract. Records shall be made available during normal working hours for this purpose.

10.0 CONTRACT MODIFICATION

No amendment or variation of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract is binding on any of the parties.

11.0 CONFIDENTIALITY OF DATA

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by ORM in writing to the contractor. If the methods and procedures employed by the contractor for the protection of the contractor's data and information are deemed by ORM to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of ORM, to carry out the intent of this paragraph. The contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.

12.0 SUBCONTRACTORS

The Contractor may, with prior written permission from the State, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or State Agency for any breach in the performance of the Contractor's duties. The contractor will be the single point of contact for all subcontractor work.

13.0 CIVIL RIGHTS COMPLIANCE

The contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal

Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

14.0 INSURANCE

The Contractor shall maintain the insurance as shown in Exhibit A attached to this contract for the full term of the contract. Failure to comply shall be grounds for termination of this contract.

15.0 GOVERNING LAW

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, parish of East Baton Rouge, State of Louisiana.

16.0 CODE OF ETHICS

The contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this contract. The contractor agrees to immediately notify ORM if potential violations of the Code of Governmental Ethics arise at any time during the term of this contract.

17.0 SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this contract are declared severable.

18.0 INDEPENDENT ASSURANCES

Not applicable to this RFP.

19.0 RECORD OWNERSHIP

All records, reports, documents, or other material related to any contract resulting from this RFP and/or obtained or prepared by the Contractor in connection with the performance of the services contracted for herein shall become the property of ORM and shall, upon request, be returned by the Contractor to ORM, at the Contractor's expense, at termination or expiration of the contract.

20.0 COMPLETE CONTRACT

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

21.0 ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

This contract together with the RFP and contractor's proposal which are incorporated herein; shall, to the extent possible, be construed to give effect to all of its provisions; however, where

provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals, its amendments and the Proposal; second priority shall be given to the provisions of the Request for Proposals and its amendments; and third priority shall be given to the provisions of the Contractor's Proposal.

THUS DONE AND SIGNED on the date(s) noted below:

[NAME OF CONTRACTOR]

[AGENCY NAME]

[AUTHORIZED SIGNATURE]

[AUTHORIZED SIGNATURE]

[PRINTED NAME]

[PRINTED NAME]

DATE

DATE

EXHIBIT A

INSURANCE REQUIREMENTS FOR CONTRACTORS

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. **Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of Louisiana. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability, Products and Completed Operations, and defense coverage for Civil Rights violations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$3,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Professional Liability (Errors and Omissions)**

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 24 months, with full reinstatement of limits, from the expiration date of the policy.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

- a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope

of protection afforded to the Agency.

- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.
- b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.
2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

E. VERIFICATION OF COVERAGE

1. Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal or insurance policy renewal thereafter.
2. The Certificate Holder Shall be listed as follows:

State of Louisiana
Agency Name, Its Officers, Agents, Employees and Volunteers
Address, City, State, Zip
Project or Contract #:

3. In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

F. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

G. WORKERS COMPENSATION INDEMNITY

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.