

	State of South Carolina Request for Proposal Amendment 2	Solicitation Number: 5400010140 Date Issued: 12/15/2015 Procurement Officer: Georgia Gillens, CPPO, CPPB Phone: (803) 734-0010 E-Mail Address: GGillens@peba.sc.gov
---	---	---

DESCRIPTION: **Strategic Consultant for the South Carolina Public Employee Benefit Authority**

USING GOVERNMENTAL UNIT: **S.C. Public Employee Benefit Authority (PEBA)**

The Term "Offer" Means Your "Bid" or "Proposal". Unless submitted on-line, your offer must be submitted in a sealed package. Solicitation Number & Opening Date must appear on package exterior. See "Submitting Your Offer" provision.

SUBMIT YOUR OFFER by the appropriate date and time below and following the instructions on Page 3.

SUBMIT OFFER BY (Opening Date/Time): **01/07/2016 11:00 AM** (See "Deadline For Submission Of Offer" provision)

QUESTIONS MUST BE RECEIVED BY: (See "Questions From Offerors" provision)

NUMBER OF COPIES TO BE SUBMITTED: See Page 3. If no redacted copy is being provided, initial here _____

CONFERENCE TYPE: DATE & TIME: <small>(As appropriate, see "Conferences - Pre-Bid/Proposal" & "Site Visit" provisions)</small>	LOCATION: _____
---	-----------------

AWARD & AMENDMENTS	Award will be posted on 1/25/2016 . The award, this solicitation, any amendments, and any related notices will be posted at the following web address: http://www.procurement.sc.gov
-----------------------------------	---

Unless submitted on-line, you must submit a signed copy of this form with Your Offer. By submitting a bid or proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of thirty (30) calendar days after the Opening Date. (See "Signing Your Offer" and "Electronic Signature" provisions.)

NAME OF OFFEROR <small>(full legal name of business submitting the offer)</small>	Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the Offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc.
--	--

AUTHORIZED SIGNATURE <small>(Person must be authorized to submit binding offer to contract on behalf of Offeror.)</small>
--

TITLE <small>(business title of person signing above)</small>	STATE VENDOR NO. <small>(Register to Obtain S.C. Vendor No. at www.procurement.sc.gov)</small>
--	---

PRINTED NAME <small>(printed name of person signing above)</small>	DATE SIGNED	STATE OF INCORPORATION <small>(If you are a corporation, identify the state of incorporation.)</small>
---	-------------	---

OFFEROR'S TYPE OF ENTITY: (Check one) (See "Signing Your Offer" provision.)		
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Other _____
<input type="checkbox"/> Corporate entity (not tax-exempt)	<input type="checkbox"/> Corporation (tax-exempt)	<input type="checkbox"/> Government entity (federal, state, or local)

PAGE TWO

(Return Page Two with Your Offer)

HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)	NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) (See "Notice" clause)
	_____ Area Code - Number - Extension Facsimile _____ E- mail Address

PAYMENT ADDRESS (Address to which payments will be sent.) (See "Payment" clause)	ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders and "Contract Documents" clauses)
_____ Payment Address same as Home Office Address _____ Payment Address same as Notice Address (check only one)	_____ Order Address same as Home Office Address _____ Order Address same as Notice Address (check only one)

ACKNOWLEDGMENT OF AMENDMENTS
 Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See "Amendments to Solicitation" Provision)

Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date

DISCOUNT FOR PROMPT PAYMENT (See "Discount for Prompt Payment" clause)	10 Calendar Days (%)	20 Calendar Days (%)	30 Calendar Days (%)	_____ Calendar Days (%)
--	----------------------	----------------------	----------------------	-------------------------

PREFERENCES - A NOTICE TO VENDORS (SEP. 2009): On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at www.procurement.sc.gov/preferences. ***ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES.*** [11-35-1524(E)(4)&(6)] **PREFERENCES DO NOT APPLY.**

PREFERENCES - ADDRESS AND PHONE OF IN-STATE OFFICE: Please provide the address and phone number for your in-state office in the space provided below. An in-state office is necessary to claim either the Resident Vendor Preference (11-35-1524(C)(1)(i)&(ii)) or the Resident Contractor Preference (11-35-1524(C)(1)(iii)). Accordingly, you must provide this information to qualify for the preference. An in-state office is not required, but can be beneficial, if you are claiming the Resident Subcontractor Preference (11-35-1524(D)). **PREFERENCES DO NOT APPLY.**

_____ In-State Office Address same as Home Office Address
 _____ In-State Office Address same as Notice Address **(check only one)**

Solicitation 5400010140 has been amended as follows:

Opening Date: January 7, 2016 at 11:00 AM

Award Posting Date: January 25, 2016.

Page 12, II. INSTRUCTIONS TO OFFERORS - A. GENERAL INSTRUCTIONS add the following clause:

OPEN TRADE REPRESENTATION (JUN 2015)

By submitting an Offer, Offeror represents that Offeror is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [02-2A083-1]

Page 28, VII. TERMS AND CONDITIONS -- A. GENERAL add the following clause:

OPEN TRADE (JUN 2015)

During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [07-7A053-1]

Page 41, Replace clause entitled "Ownership of Material" with the following:

OWNERSHIP OF MATERIAL

Except to the extent that they incorporate Contractor's proprietary software, know-how, techniques, methodologies and report formats (collectively, "Contractor's Proprietary Information"), all data, material and documentation shared by the State with the Contractor, or generated by the Contractor or State pursuant to this contract, shall belong exclusively to the State—once paid for by the State. To the extent Contractor's Proprietary Information is incorporated into such Deliverables, the State shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Contractor's Proprietary Information as part of the Deliverables internally and for their intended purpose. All data and other records entered into any database of the State or supplied to (and maintained by) the Contractor for and/or by the State are, and shall remain, the sole property of the State. Contractor shall not, without the State's written consent, copy or use such records except to carry out contracted work, and will not transfer such records to any other party not involved in the performance of this Contract, and will return all records to the State upon completion of the work hereunder. Notwithstanding anything herein to the contrary, the State acknowledges and agrees that Contractor may retain an archival copy of the State's Confidential Information in accordance with Contractor's disaster recovery and document retention policies, subject to Contractor's continued compliance with its confidentiality obligations herein.

All reports, bulletins, pamphlets, summaries, similar materials, lists of employees, retirees, or any other program, product, list, or other usable and useful information shall become and remain the sole property of the State, including, but not limited to, all copyright protections and ownership and shall be released at no extra costs to the State at the termination of this contract.

Copyright or any other intellectual property right or ownership (copyright) of any preexisting items (items not specifically produced herein and which are in existence prior to the start of this contract) shall remain with the Contractor so long as the Contractor lists them not later than the start date of this contract. Failure of the Contractor to list any such materials in which the Contractor asserts a copyright will be interpreted to mean that the Contractor asserts no such ownership interests in any materials. Any materials in which Contractor copyrighted contents are included, and subject to designation by the Contractor and agreement by the State, will bear the following notice: "Certain portions reprinted under license from, the copyright owner.

See new Cost Schedule.

All other terms and conditions remain unchanged.

The following questions were submitted in writing by Vendor A. (Answers follow.)

General

1. Which roles and organizations will the Offerer be working with and taking direction from during the duration of the project?

A: The Offeror will be working with the Executive Director, the Insurance Policy Director, the Chief Financial Officer and the Chief Operating Officer. The Offeror will also work with the PEBA Board.

2. The cover page describes the deadline as 12/2/15, but the timeline appears to reference 12/7/15 for "submission". Please confirm the deadline for the proposal.

A: See cover page of Amendment 2 for submission deadline.

Contracting

3. Can Offerer submit exceptions/modifications to the RFP and/or the contractual requirements contained in the RFP or will they be disqualified for doing so?

A: See page 14 of the RFP clause entitled "Responsiveness/Improper Offers (JUN 2015).

4. If Offerer is not allowed to provide exceptions/modifications to the RFP and/or the contractual requirements contained in the RFP, is Offerer required to accept the contractual requirements "as is", without modification or negotiation?

A: See pages 12, 13 and 15 of the RFP clauses entitled Duty to Inspect and Inquire, Questions From Offerors (FEB 2015) and Responsiveness/Improper Offers (JUN 2015);

5. Is the State willing to add a limitation of liability provision to the contractual requirements included in the RFP?

A: No.

6. Is there a specific format you require for the Cost Proposal?

A: Yes. See attached cost proposal.

7. Scope for all services may be largely dependent on the number of meetings. Please provide the number (or expected range) of meetings over the course of the engagement for each service.

A: The PEBA Board meets monthly, but has major meetings once per quarter. The PEBA Committees meet monthly. There is an Administrative and Audit Committee which oversees HR and Communications, a Health Care Policy Committee that oversees health care and a Retirement Committee that oversees retirement. The consultant will not be required to attend every committee meeting but may need to assist with the development of materials for committee meetings on a regular basis. Attendance at meetings will be driven by the deliverables. Offerors should plan for no less than 12 meetings annually.

Health Insurance

8. Please elaborate on the duration and scope of "ongoing strategic planning".

A: As the health plans can be modified on an annual basis and because health care costs continually rise and the health care environment is continually changing, we are seeking a consultant to assist staff and the Board with navigating the health care environment on an on-going basis. However, this will manifest as an annual plan, which is developed collaboratively with staff, which will be provided to the Board to recommend plan changes for the upcoming year. The consultant should plan to address ad-hoc issues and questions from the Board at any point during the year. The vendor is also expected to be proactive in bringing any major developments in the industry to the Board. The State Health Plan is still a grandfathered plan under ACA. Should the plan come out of grandfathered status, there would potentially be plan design changes to evaluate which would be part of the on-going strategic planning process.

9. What can you share related to timing and type of deliverables to better illustrate the nature of this "ongoing strategic planning"?

A: Please see Question 8 above. Strategic planning deliverables provided to the Board can be found at <http://www.peba.sc.gov/pebaboard/Healthcarepolicy.html> in the March 26, 2015 and July 8, 2015 meeting materials.

10. Is this more of a large one-time, multi-year strategic project, with available assistance with support questions over the term of the multi-year plan, or is PEBA looking for an ongoing annual strategic process and timeline that is repeated each year?

A: See Answer to question 8.

11. What specific examples of program development, evaluation, or planning have been done, or are anticipated to be done, that is requested in this RFP? (For example, does the scope of services include ongoing budgets and financial/rating, vendor renewals, negotiations and bidding, compliance and healthcare reform implications, data analytics of vendor performance, vendor or program audits, etc. do you expect or require in bids?)

A: We don't expect any of the listed items. This is a consultant designed to advise on overall strategic direction of the plan. Depending on any particular issue, we may deem that the consultant should review the scope of another vendor contract, but that review will not become an operational responsibility. For example, if the consultant believes that improving a disease management program should be a major strategic goal to help reduce cost and improve health outcomes, it would be expected that the consultant would provide detailed feedback on how to improve that program and not just general feedback. Therefore, we would expect the consultant to review the current performance of the disease management program and provide specific suggested changes through the strategic planning process. However, reviewing the disease management scope would not become an on-going responsibility.

12. Does "health plan" include dental, vision, account-based plans (FSA/HSA/HRA), and/or hospital indemnity, accident, or similar insurance products?

A: No.

13. Are other insurance coverages included in the scope, such as basic or voluntary life or disability lines?

A: No.

14. Please articulate which health plans and programs are in place (or are expected to be in place as a result of the work). For example: medical, pharmacy, care/case/disease management and/or advocacy, centers of excellence for targeted episodes of care, onsite clinics, others?

A: Please see financial statements and strategic planning located at the following links: <http://www.peba.sc.gov/> and <http://www.peba.sc.gov/pebaboard/Healthcarepolicy.html> in the [March 26, 2015](#) and [July 8, 2015](#) meeting materials.

15. Please articulate what elements of the health plan would be evaluated and the intended use of the output of the evaluation. For example: competitive benchmarking, contribution strategies, deep analysis in search of targeted plan design or program changes, compliance with federal law (e.g. PPACA, MHPAEA, GINA), network adequacy and comparative discount analysis, opportunities for narrow network and optimal ACO/PCMH utilization, pre- and post-implementation claims audits, others?

A: See Answer to question 8.

16. Does PEBA have a direct or indirect relationship with a data warehouse vendor?

A: PEBA has internal resources to leverage the data and analytics.

If so:

▪ **Is it a direct or indirect relationship?**

A: Indirect/Direct. PEBA has internal resources to leverage the data and analytics.

▪ **Which warehouse vendor are they using?**

A: PEBA has internal resources to leverage the data and analytics.

▪ **How many years of data is readily available?**

A: There is at least fifteen years of useable data.

▪ **Does PEBA have internal resources to leverage the warehouse reporting and analytic tools or rely on external resources such as those offered by the vendor?**

A: PEBA has internal resources to leverage the data and analytics.

▪ **Is the expectation for Vendor A to access the system to conduct ROI studies or for PEBA to conduct these studies based on developed methodology?**

A: No. There is no expectation for Vendor A to access the system to conduct ROI studies.

17. Please elaborate on current or expected consultants and actuaries, along with their roles and duration of engagement with PEBA.

A: Gabriel, Roeder, Smith is a consultant and actuary for PEBA.

18. Please articulate which wellness programs are in place (or are expected to be in place as a result of the work).

A: Please see the Insurance Benefits Guide for additional information:
http://www.eip.sc.gov/ibg/publications/2015_IBG.pdf.

19. Is PESA looking for wellness strategy or do you want to address the whole spectrum of health management including clinical and chronic disease?

A: PEBA is looking for strategic advice on population health management, which should include both wellness and disease management.

20. Please articulate what pilot projects are currently in place (or expected to be in place as part of this work).

A: PEBA currently has a pilot project with the Medical University of South Carolina in which we have developed a separate ACA compliant plan. PEBA is not conducting any other pilot programs at this time. However, PEBA will be looking to the consultant to help us determine which, if any, additional pilots programs should be pursued.

21. Can you give us a list of your current and known future health management programs/vendors (including carriers/administrators)?

A: The current health management programs are: weight management program, weight management for kids and teens, maternity management program, migraine management program, case management and disease management. For additional information, please see the Insurance Benefits Guide http://www.eip.sc.gov/ibg/publications/2015_IBG.pdf.

22. Can PESA share any data or reports from your current health management programs/vendors?

A: See the health care policy committee meeting materials on the website (<http://www.peba.sc.gov/pebaboard/Healthcarepolicy.html>).

23. Is PESA seeking support for a multivariate study with propensity matching or like rigor ROI analysis?

A: No.

24. Are there any financial allowances made available provided by health plan administrators or other vendor partners that may go toward compensating the consult for this (or other) project(s)?

A: No.

Human Resources and Workforce Development

25. How many active employees are employed by PESA?

A: We have 270 Full Time Equivalent Positions.

26. What human resource management system (HRMS) is currently used to monitor human resource and workforce development needs at PESA?

A: SC Enterprise Information System (SCEIS) (SAP system) is used for personnel/organizational management, payroll, time/leave management. The State of SC is currently in the process of contracting with Success Factors for a Learning Management System. PEBA will go live when offered – estimated one year.

27. Has the HRMS been updated or changed within the past five years?

A: SCEIS implemented in June 2010.

28. Will the Offerer have access to archived human resource and workforce development-related data? If so, how many years of PESA data are currently archived?

A: Yes. Records are retained according to State retention requirements which varies by document type.

29. What does "Human Resource allocation mean" to PESA. Is it an understanding how and where HR spends time and costs or something else?

A: The State sets the limit on how many FTEs PEBA can have. The allocation of human resources means the allocation between departments/functional areas. This is already an on-going project at PEBA as part of a technology upgrade. PEBA asks that the consultant review the work that has already been done and provide suggestions for improvement.

30. Is PESA looking for a human capital strategy for its workforce and then development of programs around each of the bulleted areas (Recruitment and selection, Performance management, Education, Training and employee development, Succession planning, Human resource allocation, Performance bonus program, Organizational culture to promote high performance and an engaged workforce)

A: Yes. PEBA already has some workforce planning that is in progress as well as programs for each bulleted area. PEBA is looking for a review of the current planning and programs and suggested changes for improvement.

31. Has member engagement been evaluated in the past?

A: Employee satisfaction/engagement was surveyed in May 2014.

32. Does PESA want an assessment of the HR programs listed?

A: Yes. PEBA already has some workforce planning that is in progress as well as programs for each bulleted area. PEBA is looking for a review of the current planning and programs and suggested changes for improvement.

33. Does PESA want an assessment of the HR service delivery model?

A: No.

Retirement Plan Design

34. Please define the number of plans and plan designs impacting current active participants and provide headcounts impacted by each design.

A: See PEBA's Comprehensive Annual Financial Report (CAFR) at the following website: http://www.retirement.sc.gov/financial/FinancialStatements_AsofJune30,%202015_FINAL.pdf and the Actuarial Valuations at <http://www.retirement.sc.gov/financial/default.htm>

35. Please define and provide counts for each sub-group requiring break-out information (municipalities, police/fire, departments, etc.).

A: See answer to question 34 above.

36. Which data sources are to be used for current defined benefit and defined contribution plan individual data?

A: PEBA has member information for each DB plan and can get data from each DC plan.

37. Please confirm projection of benefits for defined benefit plan(s) would be provided by the current actuary or administration vendor as needed and defined for this project.

A: Gabriel, Roeder, Smith is a consultant and actuary for PEBA.

38. Is it expected that benefit projections needed for this project be programmed and validated as part of this project?

A: Not necessarily. We first need to define "retirement readiness" and we are looking to the consultant to guide us in doing this. We are interested in understanding how other similar plans are defining and measuring retirement readiness and will use that as a major input into determining our definition of retirement readiness. We are interested in a common sense approach to assisting our members reach retirement readiness and will need to understand the costs, benefits and limitations of projections before conducting them. We will also need to understand the costs, benefits and limitations of contracting with an outside vendor to complete the projections for PEBA rather than doing it in house if PEBA decides to do projections at all.

39. Can you be more specific about the meaning of: "Assist the PESA Board in... deploying communication strategies to increase retirement readiness"? (Deployment will be dependent on the strategy so will be unknown from a cost/scope perspective until the strategy is developed.)

A: Right now we do not have a definition of retirement readiness, a measure of retirement readiness or a communications plan to achieve our goal. We are looking for guidance from the vendor in determining all three of those things. We would be interested in understanding from the consultant what other similarly situated plans are doing regarding communications strategies and how effective those strategies have been in achieving the goals. Having this information will help PEBA make a decision on which communications strategies to deploy.

The following questions were submitted in writing by Vendor B. (Answers follow.)

General Questions

1. Please provide copies of your current enrollment materials for all benefits. (General Question, no specific RFP Section)

A: Enrollment materials can be found on the website. www.peba.sc.gov. Additionally, please see the Insurance Benefits Guide at http://www.eip.sc.gov/ibg/publications/2015_IBG.pdf

2. When should we expect most of the new legislation? (General Question, no specific RFP Section)

A: Legislative session in South Carolina is in the spring of each year. There is no specific legislation regarding plan design that is active in the Legislature at this time.

3. Please describe any collective bargaining units that participate in the health insurance program. (General Question, no specific RFP Section)

A: None.

4. Please provide the number of employees and retirees eligible for and participating in each health and welfare benefit plan and retirement system offered by PEBA? Please split out active employees from retirees for each. (General Question, no specific RFP Section)

A: See the financial statements for both retirement and insurance at <http://www.peba.sc.gov/>

5. How many employees are newly-eligible each year for health and welfare benefits offered by PEBA (e.g., new hires, employees whose status changes to make them eligible for coverage)? (General Question, no specific RFP Section)

A: See the financial statements for both retirement and insurance at <http://www.peba.sc.gov/>

6. How many retirees are eligible for health and welfare benefits offered by PEBA? (General Question, no specific RFP Section)

A: See the financial statements for both retirement and insurance at <http://www.peba.sc.gov/>

7. How many retirees are eligible for retirement benefits offered by PEBA? How do these numbers break out by current plan participation (e.g., SCRS, State ORP, PORS, etc.)? (General Question, no specific RFP Section)

A: See the financial statements for both retirement and insurance at <http://www.peba.sc.gov/>

8. What firm(s) hold, or held, the current, or most recent contract(s) to provide these services? What are the hourly rates charged by staff level in that contract (or contracts)? (General Question, no specific RFP Section)

A: This is the first time PEBA has solicited for a strategic planning consultant.

9. Please indicate the fees paid for similar services, if any, and the associated hours for the last three years. (General Question, no specific RFP Section)

A: This is the first time PEBA has solicited for a strategic planning consultant.

10. Please provide clarification on “At a minimum, deliverables should be proposed for 90 days, 180 days, 270 days and 1 year”. Does PEBA already have specific deliverable targets for those quarterly time periods that should be taken into account? (RFP Section IV. INFORMATION FOR OFFERORS TO SUBMIT, 4. Project Approach, Page 22).

A: PEBA has an active strategic plan. However, we are looking to procure a consultant to help us potentially accomplish more or different things. Therefore, we are looking to the consultant to advise on what can be accomplished within those timeframes given the general goals that we have. See strategic plan: [http://www.peba.sc.gov/about/6A-Strategic Plan 2015-2018 Draft.pdf](http://www.peba.sc.gov/about/6A-Strategic%20Plan%202015-2018%20Draft.pdf)

Health Insurance Long-Range Planning

11. What current strategic plans are in place for health benefits for PEBA members? When were those plans last updated? (RFP Scope of Work, Health Insurance, p.18)

A: See answer above. Strategic planning deliverables provided to the Board can be found at <http://www.peba.sc.gov/pebboard/Healthcarepolicy.html> in the March 26, 2015 and July 8, 2015 meeting materials.

12. Please describe currently operational pilot programs, their intent, vendors involved, and time of implementation. (RFP Scope of Work, Health Insurance, p.18)

A: PEBA currently established a pilot project on January 1, 2014 in which we have developed a separate ACA compliant plan named the MUSC Group Health Benefits Plan for Employees of Medical University of South Carolina and Medical University Hospital Authority. PEBA is not conducting any other pilot programs at this time. However, PEBA will be looking to the consultant to help us determine which, if any, additional pilots programs should be pursued.

13. What new health benefit plans or programs are in development by PEBA currently? Are these for 2016? 2017? (RFP Scope of Work, Health Insurance, p.18)

A: Strategic planning deliverables provided to the Board can be found at <http://www.peba.sc.gov/pebboard/Healthcarepolicy.html>, 2015 and July 8, 2015 meeting materials.

14. How does PEBA determine the potential return on investment for its current programs? Who calculates return on investment for PEBA? (RFP Scope of Work, Health Insurance, p.18)

A: PEBA works with data consultants on an ad hoc basis.

Retirement Plan Design

15. Does PEBA intend to conduct a study to redesign its existing retirement offerings (DB, 457 and retiree health) that would focus on retirement security? If yes, when would this study be scheduled? (RFP Scope of Work, Retirement Plan Design, p.19)

A: PEBA is not interested in a study to redesign our existing retirement offerings. Rather, PEBA needs to define retirement readiness and determine how best to help our membership achieve that. Right now PEBA does not have a definition of retirement readiness, a measure of retirement readiness or a communications plan to achieve our goal. PEBA is looking for guidance from the consultant in determining all three of those things. We would be interested in understanding from the consultant what other similarly situated plans are doing regarding communications strategies and how effective those strategies have been in achieving the retirement readiness goals. Having this information will help PEBA make a decision on which communications strategies to deploy.

16. What current and in-process retirement program initiatives would need to be taken into account in developing longer-term retirement plan objectives? (RFP Scope of Work, Retirement Plan Design, p.19)

A: We currently have 5 DB plans, a DC plan offered as an alternative to the DB plan and a supplemental 401k and 457 plan. Our members are also covered under social security and may have outside assets. All of these elements need to be taken into consideration when defining retirement readiness, although PEBA will not necessarily have access to all of that information. PEBA is looking for a consultant to assist us in understanding what other similarly situated plans are doing related to retirement readiness and will use that as a major input into determining how PEBA will define retirement readiness.

17. What communications strategies are currently in place for retirement plan participants? (RFP Scope of Work, Retirement Plan Design, p.19)

A: There are limited strategies specifically related to retirement readiness. See the PEBA website at <http://www.retirement.sc.gov/> for educational materials for members.

Human Resources Management

18. The introduction under the scope of work section references strategic planning and implementation of the strategic plan for major business areas and internal operations. Please describe specific strategic planning services you anticipate will be part of this engagement, and for how many potential business areas. In addition, is PEBA seeking broad organizational strategic planning support, or planning specific to human capital and workforce strategies? (RFP Scope of Work, Human Resources and Workforce Development, page 19)

A: Please see the entire scope of work as described in the RFP pages 18-19 to include consultant duties.

19. How many full-time and part-time employees does PEBA have? (RFP Scope of Work, Human Resources and Workforce Development, page 19)

A: Approximately 260 filled, FTEs and 10 part-time, temporary workers.

20. What is the size of the Human Resources organization within PEBA and what are the central units or divisions within Human Resources? (RFP Scope of Work, Human Resources and Workforce Development, page 19)

A: The HR department is comprised of three FTEs. HR Director – oversees day-to-day HR operations; oversees staff training/development; manages recruitment and selection, employee relations, classification/compensation; develops and implements various policies and procedures. HR Manager – manages day-to-day HR operations to include payroll, time/leave mgmt., benefits administration, workers compensation. Training and Development Director – develop and deliver training, assess and assist management with targeted staff development, develop and implement PEBA onboarding.

21. The scope of work under “Human Resources and Workforce Development” references that 45% of the current employee population is or will be eligible to retire within the next five years. What additional drivers does PEBA see as important in its long-term human resource planning? (RFP Scope of Work, Human Resources and Workforce Development, page 19)

A: 1. Aligning current and future workforce (staffing levels, structure and skill sets) with the evolving needs of the agency. Currently, the agency is in the midst of an operational/technological assessment in preparation for an implementation of an enterprise system for pension and insurance administration. This new system will drive business processes and human capital needs.

2. Historically, the agency has been fortunate to maintain a tenured workforce; however, this has resulted in deep pockets of institutional/business knowledge. While some initiatives have improved this, additional attention is required prior to the exit of many seasoned employees.

Communications

22. In the Scope of Work section, under Communications, please describe more fully the request to “Develop plans for increasing the level of member engagement.” (RFP Scope of Work, Communications, p.19)

A: PEBA is interested in ensuring members are engaged in their health management. PEBA has many communications that accurately convey plan information, but we are unsure about how effective the communications are in actually motivating members to take specific action. PEBA is seeking assistance in developing a comprehensive plan for ensuring our communications are designed to encourage action on the part of the member. We are also looking to the consultant to advise us on how similarly situated plans are handling “member engagement” and how those strategies are systematically evaluated, especially with regard to performance tracking and metrics.

23. What measurement methods are currently in place for member engagement on health benefits, retirement and human resources? (RFP Scope of Work, Communications, p.19)

A: PEBA actively promotes a number of value-based health initiatives through quarterly campaigns that focus on one particular initiative. Promotional materials include posters, fliers, table tents, initiative-specific content for social media and news updates, social media and website banners, and depending on the initiative, a direct-mail postcard to individuals identified through claims data analysis. PEBA tracks usage of the initiatives through claims data analysis and website traffic and notes accordingly any increases in utilization following a promotional campaign. Most of PEBA's measurable retirement benefits related engagement occurs on the agency's Facebook page, which features PEBA-specific information as well as information from outside resources about retirement readiness, financial security, Social Security, and preparing for retirement. The retirement-focused posts get more engagement than any other types of posts except for photos of the agency that feature employees dressed in certain colors for commemorations such as Breast Cancer Awareness. Distribution of surveys and online surveys are no longer utilized after regional retirement seminars, however an opportunity exists to obtain this feedback again.

24. What role do Benefit Administrators play in benefits communications for active employees and retirees (e.g., do they lead annual open enrollment meetings each fall, etc.)? (RFP Scope of Work – Communications, page 19)

A: Benefits administrators play a large role in benefits communications for active employees. They do not play a large role for retirees unless the employer is a local subdivision that participates in PEBA's insurance programs, in which case the benefits administrator provides assistance and support to the local subdivision's retirees as well as its active employees. PEBA's philosophy is to make the communication process as easy as possible for benefits administrators. PEBA tries to provide turnkey marketing materials for benefits administrators. An example of this is the PEBA Perks campaign, which began in January 2015 under the title of "Free in '15." These quarterly campaigns promoting specific value-based health initiatives were developed, packaged and distributed to employers in a manner that allowed the employer to simply post the information at its worksite or email the information to its employees (or post to an employee Intranet). We also host a benefits at work conference for benefits administrators each year prior to the annual insurance benefits open enrollment to ensure benefits administrators are up to date on program changes. However, how benefits administrators communicate with their employees is up to them and those communications vary by employer. We have a large number of employers as well as a wide variety in types of employers (school districts, higher education institutions, state government and local governments).

25. What type and specificity of training about PEBA's health and retirement programs do Benefits Administrators receive? (RFP Scope of Work, Communications, page 19)

A: We offer employer training throughout the year through our field services staff, there is an employer manual on the retirement side (<http://www.retirement.sc.gov/publications/manual.pdf>) and a benefits administrator manual on the insurance side (http://www.eip.sc.gov/publications/2015_BA_Manual1.pdf?ts=1688228458). We also offer the annual benefits at work conference mentioned above. In addition to providing employer training in person, PEBA provides some training regionally throughout the year to ensure easier access for employers in remote locations and has all insurance benefits employer training on the agency's insurance website in either video or PowerPoint with voice over format and as handouts and scripted documents. Field Services staff also meet with employers to help enroll new employers in the agency's programs and when necessary to guide them through the benefits administration process.

26. Are Benefit Administrators the primary spokespersons to active employees and retirees for benefits-related issues? Is that role currently the same for both retirement and health benefit plans? For HR related communications? (RFP Scope of Work, Communications, page 19)

A: PEBA relies on benefits administrators to advise active employees about their insurance and retirement benefits and if the employer is a local subdivision, PEBA relies on the benefits administrator to advise and assist its retired employees. Members can also contact PEBA with questions or the individual TPAs with questions. The extent to which benefits administrators refer employees to the TPAs often depends on the type of program and extent of the questions. For example, if an active employee has questions about his deferred compensation account balance, that question would be referred to the TPA. Also, if an active employee has questions about a health insurance claim, that question would be referred to the TPA. PEBA relies on the employers to accurately process contributions/payments to both the insurance and retirement plans and to make sure employees are enrolled in the plans and programs they select.

27. Are benefit enrollment kits mailed home to all actives and retirees before each annual open enrollment period? If so, what is in those kits to accompany the Insurance Benefits Guide? (RFP Section Scope of Work, Communications, page 19)

A: PEBA does not produce a benefits enrollment kit; however, prior to each open enrollment period, PEBA produces a Benefits Advantage newsletter that outlines what changes can be made and provides updates to any programs and plan coverage. The Benefits Advantage newsletter is printed and mailed to the address on file for all retiree, COBRA and survivor subscribers and is shipped to employers in bulk for distribution to active employees. This year's newsletter was a 20-page publication. The Benefits Advantage, and an Open Enrollment PowerPoint/video are also available on the insurance website each year. The Insurance Benefits Guide is a voluminous book that contains information about every insurance program PEBA offers in addition to its tax-favored accounts plans. The Insurance Benefits Guide is updated every year prior to January 1 and is printed and mailed to the address on file for all retiree, COBRA and survivor subscribers and is shipped to employers in bulk for distribution to active employees. The Insurance Benefits Guide is also available throughout the year on the insurance website (http://www.eip.sc.gov/ibg/publications/2015_IBG.pdf).

28. How does PEBA gather input from its active employee members and/or retirees (e.g., surveys, focus groups, focus groups, etc.), to gauge member engagement and/or to learn about their benefits communications preferences? If so, can you share the most recent results? (RFP Section Scope of Work, Communications, page 19)

A: PEBA surveys members for overall satisfaction but we do not have recent data on engagement. We are looking for a consultant to help us determine how to best measure engagement and how to enhance member engagement. PEBA is seeking specific metrics that can be implemented and improved upon as the agency makes progress in its engagement efforts.

29. How does PEBA promote its social media (e.g., Facebook, Twitter, etc.) presence to employees and retirees? (RFP Scope of Work, Communications, page 19)

A: PEBA promotes its social media presence in its publications, presentations, websites, and in its meetings with members. The agency uses multiple social media sites and cross-links to information and updates to increase awareness of the other sites and engagement.

30. Who conducts PEBA regional retirement seminars, what are the topics covered, how often are seminars conducted, and what communications are provided to promote the seminars to employees? (RFP Scope of Work, Communications, page 19)

A: The PEBA field services staff conducts regional retirement seminars. They are promoted through employers and have historically only focused on members who are within five years of retirement eligibility. PEBA intends to improve retirement readiness communication for employees earlier in their career. We are looking for a consultant to help us develop that communications strategy. Information about the current regional retirement seminars is available at www.retirement.sc.gov/planning/regionalseminars.

31. Does PEBA provide one-on-one retirement and/or financial counseling? If so, who conducts the counseling, what is the cost to employees/retirees, how is the availability of this service communicated to employees/retirees and how does PEBA monitor which forms of communication are most effective? (RFP Section Scope of Work, Communications, page 19)

A: PEBA provides one-on-one retirement counseling for the defined benefit plan benefits. We do not provide financial counseling and are not licensed to do so. The counseling that is provided is done free of charge. Additional services are available to members who are also enrolled in the deferred compensation plan and/or the State ORP. However, not all members of the defined benefit plans or the State ORP are also members of the deferred compensation plan.

32. Who is the current consultant providing communications services to PEBA? (RFP Section Scope of Work, Communications, page 19)

A: PEBA does not currently have a communications consultant.

33. Do you use e-mail to connect with actives and/or retirees? (RFP Section Scope of Work, Communications, page 19)

A: We do not have working email addresses for all members at this time.

34. Does PEBA provide actives and/or retirees with personalized total compensation and/or retirement statements? If so, please provide a sample statement. (RFP Section Scope of Work, Communications, page 19)

A: PEBA does not currently provide a comprehensive retirement statement. A statement is available through the member portal on-line but it only provides information on the defined benefit accounts. A sample statement is attached.

Proposal Submission

35. Will PEBA accept a PDF version of the cost proposal? The RFP does not mention types of formats for the cost proposal, only the technical. (RFP Section II. INSTRUCTIONS TO OFFERORS -- B. SPECIAL INSTRUCTIONS, page 17)

A: PDF is the preferred format for submission of both technical and financial/business proposals.

36. If the offeror does not include any proprietary materials in its proposal, is the offeror required to submit a “redacted version” of the proposal? In such case, would marking on the cover page (where highlighted) will suffice? (RFP Submitting Redacted Offers, Page 20 & 23)

A: As stated on the cover, initialing where highlighted is appropriated for no redacted copy. Please understand that copies submitted as redacted or initialed and marked as redacted may be releasable under the FOIA.

37. If the offeror wishes to keep its financial statements “confidential and proprietary” and in a separately sealed envelope, must it submit a “redacted” proposal if the financials are the only proprietary piece of the response and are submitted separately from the technical and cost responses? (RFP Submitting Redacted Offers, Page 20 & 23)

A: It would be best for the Offeror to submit a redacted copy following the redacted rules if financials are proprietary.

38. Would PEBA accept only one original of a privately owned bidder’s financial statements, without copies? (RFP Submitting Redacted Offers, Page 20 & 23).

A: Please submit the appropriate number of copies.

39. Please confirm the presentation format for the price proposal and the type of price quote (fixed fee, hourly rates, both) vendors are to provide for the Scope of Work requested under this RFP. (RFP, Cost/Price Proposal, p.22.)

A: Please see attached cost proposal format.

40. Should the price quote be for the full two (2) year initial contract period or separated for each year and totaled, or should the price quote only be for the first year of the contract term? (RFP Cost/Price Proposal, page 22)

A: Please see attached cost proposal format.

41. Where in the proposal should the Minority Participation (Jan 2009) status questions be attached? (RFP Section IV. INFORMATION FOR OFFERORS TO SUBMIT, Minority Participation (RFP, Jan 2006, p. 23).

A: Offeror should include a table of contents with its proposal that will identify where any attachments can be found. Please note that it is an easier read for evaluators when items are embedded in the proposal rather than having to reference a different area of the RFP.

42. There are four (4) main consulting items listed in the RFP (Health Insurance, HR/Workforce Development, Communications and Retirement Plan Design). The Cost/Proposal section of the RFP notes that costs should be presented by deliverable, and references seven (7) deliverables. Please advise what seven (7) deliverables PEBA is referencing under the Cost/Price Proposal section of the RFP. (RFP, Cost/Price Proposal, 1. Price Proposal, p.22, and Scope of Work, pages 18-19)

A: Please remove reference to seven deliverables. There are 4 main consulting areas of the RFP (Health Insurance, Human Resources and Workforce Development, Communications and Retirement Plan Design). The Offeror needs to propose deliverables it believes appropriate for each area of the RFP.

Contract Provisions

43. Regarding RFP Section SUBMITTING CONFIDENTIAL INFORMATION (FEB 2015) (page 15), would PEBA be agreeable to amending this item to read:

SUBMITTING CONFIDENTIAL INFORMATION (FEB 2015)

- (3) agrees that, notwithstanding any claims or markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure. In determining whether to release documents, the State will detrimentally rely on Offeror's marking of documents, as required by these bidding instructions, as being either "Confidential" or "Trade Secret" or "PROTECTED". By submitting a response, Offeror agrees to defend, indemnify and hold harmless the State of South Carolina, its agencies, officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including reasonable attorney's fees, ~~arising out of or~~ resulting from withholding information by the State of South Carolina or any of its agencies, that Offeror marked as "confidential" or "trade secret" or "PROTECTED". (All references to S.C. Code of Laws.) [02-2A125-2]

A: No.

44. Regarding RFP Section TAX CREDIT FOR SUBCONTRACTING WITH DISADVANTAGED SMALL BUSINESSES (JAN 2008) (page 33), would PEBA be agreeable to amending this item to read:

TAX CREDIT FOR SUBCONTRACTING WITH DISADVANTAGED SMALL BUSINESSES (JAN 2008)

- (h) Any deductibles or self-insured retentions must be declared to and approved by the State. ~~The State may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.~~

A: No.

45. Regarding RFP Section CONTRACTOR'S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015) (page 33), would PEBA be agreeable to amending this item to read:

CONTRACTOR'S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015)

- ~~(i) information security risks, including without limitation, failure to prevent unauthorized access to, tampering with or unauthorized use of a computer system; introduction of malicious codes, computer viruses, worms, logic bombs, etc., into data or systems; or theft, damage, unauthorized disclosure, destruction, or corruption of information in whatever form;~~
- ~~(ii) (privacy risks, including (A) failure to properly handle, manage, store, destroy, or otherwise control non-public personally identifiable information in any format; (B) loss or disclosure of confidential information; and (C) any form of invasion, infringement or interference with rights of privacy, including breach of security/privacy laws or regulations;~~
- ~~(iii) contractual liability for the contractor's obligations described in the clauses titled "Indemnification – Third Party Claims – Disclosure Of Information" and "Information Use And Disclosure;" and~~

A: No.

46. Regarding RFP Section CONTRACTOR'S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015) (page 34), would PEBA be agreeable to amending this item to read:

CONTRACTOR'S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015)

- (g) All terms of this clause shall survive termination of the contract and shall continue until thirty (30) days past the final completion of the work, including the performance of any warranty work. In addition, contractor shall maintain in force and effect any "claims made" coverage for a minimum of two (2) years after final completion of all work or services to be provided hereunder. ~~Contractor shall purchase an extended reporting period, or "tail coverage," if necessary to comply with the latter requirement.~~
- ~~(h) Every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them, must be covered as additional insureds on the policy or policies of insurance required by this clause.~~
- ~~(i) For any claims related to this contract, the insurance coverage required by this clause shall be primary insurance as respects the State, every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them. Any insurance or self-insurance maintained by the State, every applicable Using Governmental Unit, or the officers, officials, employees and volunteers of any of them, shall be excess of the Contractor's insurance and shall not contribute with it.~~
- (j) Prior to commencement of the work, the Contractor shall furnish the State with original certificates of insurance for every applicable policy effecting the coverage required by this clause. All certificates are to be received and approved by the Procurement Officer before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The State reserves the right to require complete, certified copies of all required insurance policies, including policy declarations and any endorsements required by this section, at any time. (k) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this clause are or will be changed, cancelled, or replaced.
- ~~(l) Contractor hereby grants to the State and every applicable Using Governmental Unit a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or applicable Using Governmental Unit by virtue of the payment of any loss under such insurance as is required by this clause. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or Using Governmental Unit has received a waiver of subrogation endorsement from the insurer.~~
- ~~(m) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. [07-7B058-1]~~

A: No.

47. Regarding RFP Section INDEMNIFICATION – THIRD PARTY CLAIMS (NOV 2011) INDEMNIFICATION - THIRD PARTY CLAIMS – DISCLOSURE OF INFORMATION (FEB 2015) (page 36), would PEBA be agreeable to amending this item to read:

INDEMNIFICATION – THIRD PARTY CLAIMS (NOV 2011)

Notwithstanding any limitation in this agreement, and to the fullest extent permitted by law, Contractor shall defend and hold harmless Indemnitees for and against any and all suits or claims of any character (and all related damages, settlement payments, reasonable attorneys' fees, costs, expenses, losses or liabilities) by a third party which are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible ~~property arising out of or in connection with~~ resulting from the goods or services acquired hereunder or caused in whole or in part by any willful misconduct or negligent act or omission of contractor, its subcontractors, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by an Indemnitee, and whether or not such claims are made by a third party or an Indemnitee; however, if an Indemnitee's negligent act or omission is subsequently determined to be the sole proximate cause of a suit or claim, the Indemnitee shall not be entitled to indemnification hereunder. Contractor shall be given timely written notice of any suit or claim. Contractor's obligations hereunder are in no way limited by any protection afforded under workers' compensation acts, disability benefits acts, or other employee benefit acts. This clause shall not negate, abridge, or reduce any other rights or obligations of indemnity which would otherwise exist. The obligations of this paragraph shall survive termination, cancelation, or expiration of the parties' agreement. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance. As used in this clause, "Indemnitees" means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees. [07-7B100-2]

INDEMNIFICATION - THIRD PARTY CLAIMS – DISCLOSURE OF INFORMATION (FEB 2015)

- (a) Without limitation, Contractor shall defend and hold harmless Indemnitees from and against any and all suits, claims, investigations, or fines (hereinafter "action") of any character (and all related damages, settlement payments, reasonable attorneys' fees, costs, expenses, losses or liabilities) by a third party ~~which arise out of or in connection with~~ a disclosure of government information (as defined in the clause titled Information Security) caused in whole or in part by any willful misconduct or negligent act or omission of contractor, its subcontractors at any tier, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by an Indemnitee, and whether or not such action is brought by a third party or an Indemnitee, but only if the act or omission constituted a failure to perform some obligation imposed by the contract or the law.

A: No.

48. Regarding RFP Section INTELLECTUAL PROPERTY INFRINGEMENT (JAN 2006)(page 40), would PEBA be agreeable to amending this item to read:

INTELLECTUAL PROPERTY INFRINGEMENT (JAN 2006)

- (a) Without limitation and notwithstanding any provision in this agreement, Contractor shall, upon receipt of notification, defend and indemnify the State, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees against all actions, proceedings or claims of any nature (and all damages, settlement payments, reasonable attorneys'

fees (including inside counsel), costs, expenses, losses or liabilities attributable thereto) by any third party asserting or involving an IP right related to an acquired item. State shall allow Contractor to defend such claim so long as the defense is diligently and capably prosecuted. State shall allow Contractor to settle such claim so long as (i) all settlement payments are made by Contractor, and (ii) the settlement imposes no non-monetary obligation upon State. State shall reasonably cooperate with Contractor's defense of such claim. (b) In the event an injunction or order shall be obtained against State's use of any acquired item, or if in Contractor's opinion, the acquired item is likely to become the subject of a claim of infringement or violation of an IP right, Contractor shall, without in any way limiting the foregoing, and at its expense, either: (1) procure for State the right to continue to use, or have used, the acquired item, or (2) replace or modify the acquired item so that it becomes non-infringing but only if the modification or replacement does not adversely affect the specifications for the acquired item or its use by State. If neither (1) nor (2), above, is practical, State may require that Contractor remove the acquired item from State, refund to State any charges paid by State therefor, and take all steps necessary to have State released from any further liability. (c) Contractor's obligations under this paragraph do not apply to a claim to the extent (i) that the claim is caused by Contractor's compliance with specifications furnished by the State unless Contractor knew its compliance with the State's specifications would infringe an IP right, or (ii) that the claim is caused by Contractor's compliance with specifications furnished by the State if the State knowingly relied on a third party's IP right to develop the specifications provided to Contractor and failed to identify such product to Contractor. (d) As used in this paragraph, these terms are defined as follows: "IP right(s)" means a patent, copyright, trademark, trade secret, or any other proprietary right. "Acquired item(s)" means the rights, goods, or services furnished under this agreement. "Specification(s)" means a detailed, exact statement of particulars such as a statement prescribing materials, dimensions, and quality of work. (e) Contractor's obligations under this clause shall survive the termination, cancellation, rejection, or expiration of this Agreement. [07-7B105-1]

A: No.

49. Regarding RFP Section OWNERSHIP OF MATERIAL (page 41), would PEBA be agreeable to amending this item to read:

OWNERSHIP OF MATERIAL

All Except to the extent that they incorporate Contractor's proprietary software, know-how, techniques, methodologies and report formats (collectively, "Contractor's Proprietary Information"), all data, material and documentation shared by the State with the Contractor, or generated by the Contractor or State pursuant to this contract, shall belong exclusively to the State, once paid for by the State. To the extent Contractor's Proprietary Information is incorporated into such Deliverables, the State shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Contractor's Proprietary Information as part of the Deliverables internally and for their intended purpose. All data and other records entered into any database of the State or supplied to (and maintained by) the Contractor for and/or by the State are, and shall remain, the sole property of the State. Contractor shall not, without the State's written consent, copy or use such records except to carry out contracted work, and will not transfer such records to any other party not involved in the performance of this Contract, and will return all records to the State upon completion of the work hereunder. Notwithstanding anything herein to the contrary, the State acknowledges and agrees that Contractor may retain an archival copy of the State's Confidential Information in accordance with Contractor's disaster recovery and document retention policies, subject to Contractor's continued compliance with its confidentiality obligations herein.

All reports, bulletins, pamphlets, summaries, similar materials, lists of employees, retirees, or any other

program, product, list, or other usable and useful information (~~including anything generally regarded as a "made for hire" product~~) shall become and remain the sole property of the State, including, but not limited to, all copyright protections and ownership and shall be released at no extra costs to the State at the termination of this contract.

Copyright or any other intellectual property right or ownership (copyright) of any preexisting items (items not specifically produced herein and which are in existence prior to the start of this contract) shall remain with the Contractor so long as the Contractor lists them not later than the start date of this contract. Failure of the Contractor to list any such materials in which the Contractor asserts a copyright will be interpreted to mean that the Contractor asserts no such ownership interests in any materials. Any materials in which Contractor copyrighted contents are included, and subject to designation by the Contractor and agreement by the State, will bear the following notice: "Certain portions reprinted under license from, the copyright owner."

A: Yes.

Cost/Business Proposal

Offerors should provide a firm, fixed, not-to-exceed price for the service areas listed below as described in the RFP. Offerors shall include all expenses, fees and costs (including travel-related expenses) associated with conducting the comprehensive assessment in their firm, fixed, not-to-exceed prices/rates. Include a proposed payment schedule associated with each area (milestones or deliverables) as set forth in this Request for Proposal. Offerors should submit their Business Proposal in a separately sealed envelope marked "Cost/Business Proposal."

Offerors must also include hourly rates for consultants. These rates will not be used for evaluation, but may be negotiated with the successful Offeror.

Costs for Years 1 and 2

Health Insurance	_____
Human Resources and Workforce Development	_____
Communications	_____
Retirement and Plan Design	_____
Total Years 1 and 2	_____

Costs for Year 3 (Option Year 1)

Health Insurance	_____
Human Resources and Workforce Development	_____
Communications	_____
Retirement and Plan Design	_____
Total Years 1 and 2	_____

Costs for Year 4 (Option Year 2)

Health Insurance _____

Human Resources and Workforce Development _____

Communications _____

Retirement and Plan Design _____

Total Years 1 and 2 _____

Costs for Year 5 (Option Year 3)

Health Insurance _____

Human Resources and Workforce Development _____

Communications _____

Retirement and Plan Design _____

Total Years 1 and 2 _____

Grand Total for Years 1-5 _____

Hourly Rates for Consultants/Staff

Offerors must include hourly rates for consultants and proposed staff. These rates will not be used for evaluation, but may be negotiated with the successful Offeror.

Hourly Rates

Lead Consultant: \$ _____/hour

Consultant #2: \$ _____/hour

Consultant #3: \$ _____/hour

Staff: \$ _____/hour

Staff: \$ _____/hour