

State Employees' Insurance Board

REQUEST FOR PROPOSALS

for

Certified Public Accounting Services

RFP: SEIB-2017-01

Responses to this Request for Proposals must be received on or before the date and time specified below. All Respondents must complete the following:

Company Name:	_____
Address:	_____
City St Zip:	_____
Phone No.:	_____
E-mail address:	_____
Federal Tax ID #:	_____

Return by: 5:00 PM, CDT, March 15, 2017

General Instructions: Respondents must submit a response to this Request for Proposals on or before the return date and time. Pricing must remain good for 180 days. All charges related to the services must be provided in the response. **NOTE: (1) Late responses will not be considered, and (2) award(s) will be made in the best interest of the State.**

NOTE: FAILURE TO RETURN ALL PAGES OF THIS RFP DOCUMENT WILL DISQUALIFY YOUR RESPONSE. YOU MAY ATTACH ADDITIONAL PAGES IF NECESSARY.

The Respondent's authorized agent must sign below. By signing this response, Respondent acknowledges that all information contained in the document is true and correct. Respondent acknowledges and represents that Respondent has read, acknowledges and accepts all requirements of this RFP. Failure to sign below will disqualify this response.

Authorized Signature

Title

Date

Information Index

1. **Type of Solicitation:** Request for Proposals (RFP)
2. **Issuing Office:** State Employees' Insurance Board
PO Box 304900
201 South Union Street, Suite 200
Montgomery, AL 36130-4900
3. **Responses Requested From:** Qualified Providers
4. **Type:** Certified Public Accounting Services
5. **Responses to RFP:** Sealed Competitive Offers
6. **Contract, if any, resulting from RFP:** Contract will incorporate RFP and Respondent's Response, subject to the limitations described in this RFP and approval by the SEIB.
7. **Schedule of Events:**

RFP Issued	February 1, 2017
Questions Due	February 14, 2017
Answers Posted	February 28, 2017
Proposals Due	March 15, 2017 5:00 pm CDT
8. **Term:** June 1, 2017 through May 31, 2020
9. **SEIB Contact Personnel for this RFP:** Jeffrey J. Bradwell
Phone: (334) 263-8413
E-mail: jbradwell@alseib.org
10. **Letters of Intent to Submit a Response:** Not Applicable
11. **Evaluation of Responses:**

Criteria

Weight

Experience and References:	40 points
Knowledge of health insurance market:	10 points
Price/Cost:	50 points
<u>Total:</u>	<u>100 points</u>

REQUEST FOR PROPOSALS

Part I. General Information

Introduction. The State Employees' Insurance Board (SEIB) solicits proposals from certified public accountant (CPA) firms interested in providing financial audit services to the SEIB. This Request for Proposals (RFP) is issued in accordance with the requirements of Section 41-16-72, Code of Alabama and is not subject to the competitive bidding requirements of Section 41-16-20, Code of Alabama. This RFP is not an offer to contract but seeks the submission of proposals from qualified, interested CPA firms. *The SEIB reserves the right, if it is determined to be in the best interest of the SEIB and the State of Alabama, to reject any or all proposals and to solicit additional proposals or the SEIB may choose to withdraw this RFP.*

1.1. Contract Process.

The SEIB will review and evaluate the proposals as described in this RFP and may select a qualified Respondent. The SEIB will award a contract, if any, to serve the best interests of the SEIB and the State of Alabama.

Respondents are cautioned to read the terms and conditions and attached specifications carefully. If a contract is awarded, it will be based on Respondent's responses to these specifications. Failure to provide the required information with the RFP response will disqualify the response from consideration for award in connection with this transaction. The SEIB reserves the right to waive minor irregularities in an otherwise valid proposal. Minor irregularities are those that do not have a significant adverse effect on the overall project cost or performance.

RFP RESPONSES MUST BE RECEIVED BEFORE THE INDICATED DEADLINE.

Submit sealed Responses to one of the following:

<p><u>Mail:</u> Jeffrey J. Bradwell State Employees' Insurance Board P.O. Box 304900 Montgomery, AL 36130-4900</p>	<p><u>Hand Delivery or Courier to:</u> Jeffrey J. Bradwell State Employees' Insurance Board 201 S. Union Street, Suite 200 Montgomery, AL 36104</p>
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Respondents must submit an original and one (1) copy of their RFP response. Respondents must sign in ink on page 1 of this RFP in the space entitled "AUTHORIZED SIGNATURE." Failure to manually sign this space on page 1 of the RFP will disqualify the response.

A response to this RFP must include all of the information requested. Any submitted responses and all attachments will be referred to in this RFP as "Proposal," "Response" or "Proposal Response."

1.2. General Terms.

1.2.1. Term of Contract. The term of any contract resulting from this RFP shall be for three years effective June 1, 2017, through May 31, 2020.

1.2.2. Governing Law. The RFP and any resulting contract shall be governed, construed, and interpreted in accordance with the laws of the State of Alabama (but not rules governing conflicts of law issues).

1.2.3. Disputes. The Contractor's sole remedy for settlement of any and all disputes relating to this RFP and any resulting contract and work order shall be limited to the filing of a claim with the Board of Adjustment for the State of Alabama.

1.2.4. Additional Terms and Conditions. Any terms and conditions attached or submitted with an RFP Response will not be considered by the SEIB unless the Respondent specifically refers to them and requests approval by the SEIB of such terms and conditions. Such Respondent's terms and conditions may result in the disqualification of the RFP response. See also Sections 3.14 and 3.15 of this RFP.

1.2.5. Amendments. Except as provided in Section 1.2.6 of this RFP, any resulting contract may be amended only upon the written agreement between the SEIB and Respondent; however, the contract may not be amended so as to conflict with the laws of the State of Alabama.

1.2.6. Additional Language. To the extent the laws of the State of Alabama require the SEIB to include additional language in its contracts, the Respondent agrees to amend any resulting contract and to cooperate in the execution of any contract amendments necessary to effectuate such state law. During the term of a resulting contract, if any, and any extensions or renewals, the SEIB reserves the right to request contract amendments or modifications as is determined to be in the best interests of the SEIB or the State. The SEIB reserves the right to add or delete similar services and to adjust selected Respondent's compensation accordingly by issuing a contract amendment.

1.2.7. Requirements. In submitting responses, Respondents agree to comply with all requirements of the RFP and any contract, including the provisions of the following parts of the RFP: General Information, Specifications, SEIB Terms and Conditions, and Respondent Response Format. All parts of this RFP are incorporated as part of any resulting contract for all purposes.

1.2.8. Independent Contractor. Respondent shall serve as an independent contractor and not as an employee (merit or otherwise) of the State of Alabama. Respondent shall not be entitled to or receive merit system benefits in providing services under any contract resulting from this RFP.

1.2.9. Qualifications. To be entitled to consideration, Respondents must have available the necessary qualified personnel, skills, organization and facilities to fulfill all the services required under this RFP and any resulting contract.

1.2.10. Liquidated Damages. The measure of damages in the event of a default by Respondent may be difficult or impossible to calculate, depending on the nature of the default. In the event Respondent fails to perform services in accordance with the response times required in the contract, the SEIB may require Respondent to pay the SEIB \$50.00 per calendar day of delay. For any other failure to perform in accordance with the terms of the contract after having been notified in writing by the SEIB of the specific deficiency, the SEIB may require the Respondent to pay the SEIB the sum of \$50.00 per calendar day until the deficiency is corrected. The SEIB may, but is not obligated to, recover these liquidated damages in lieu of any other monetary remedies the SEIB has under the contract or applicable law.

1.2.11. Alternative Dispute Resolution. For any and all disputes arising under the terms of this contract, the parties hereto agree, in compliance with the recommendations of the Governor and Attorney General, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation.

1.2.12. Employment of SEIB Staff. Contractor shall not knowingly engage on a full-time, part-time, or other basis during the period of the contract any professional or technical personnel, who are or have been in the employment of SEIB during the previous twelve (12) months, except retired employees or contractual consultants, without the written consent of SEIB. Certain SEIB employees may be subject

to more stringent employment restrictions under the Alabama Code of Ethics, §36-25-1 et seq., Code of Alabama.

1.2.13. Novation. In the event of a change in the corporate or company ownership of Contractor, the SEIB shall retain the right to continue the contract with the new owner or terminate the contract. The new corporate or company entity must agree to the terms of the original contract and any amendments thereto. During the interim between legal recognition of the new entity and the SEIB execution of the novation agreement, a valid contract shall continue to exist between the SEIB and the original Contractor. When, to the SEIB's satisfaction, sufficient evidence has been presented of the new owner's ability to perform under the terms of the contract, the SEIB may approve the new owner and a novation agreement shall be executed.

1.2.14. Availability of Funds. This contract is conditional upon the availability of funds. In the event of proration of the fund from which payment under this contract is to be made, this contract may be subject to termination.

1.3. Respondent Affirmations and Certifications.

1.3.1. Unfair Business Practices. Respondent represents and warrants that it and any of its officers, directors, or employees have not been the subject of an Unfair Trade Practices Act or any unfair business practice administrative hearing or lawsuit and that Respondent has not been found to be guilty of such practices in such proceedings. Respondent certifies that it has no officers, directors or employees who have served as officers, directors or employees of other entities who have been the subject of an Unfair Trade Practices Act or any unfair business administrative hearing or lawsuit and that such officers have not been found guilty of such practices in such proceedings.

1.3.2. Immigration. Respondent represents and warrants that it is in compliance with the provisions of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Ala. Code § 31-13-1, et seq., (1975)) and must execute and submit a Certificate of Compliance, attached hereto as Attachment E. Pursuant to Ala. Code §31-13-9(k), by signing any resulting contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

1.3.3. Equal Opportunity. Respondent represents and warrants that it will comply with the Civil Rights Act in giving equal opportunity without regard to race, color, creed, sex or national origin.

1.3.4. Franchise Taxes; Non Residents; Foreign Corporations. Respondent represents and warrants that it is not currently delinquent in the payment of any taxes owed the State of Alabama. In addition, if Respondent is an individual not residing in Alabama or a business entity not incorporated in or whose principal domicile is not in Alabama, Respondent certifies that the individual or business entity named in this proposal or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate. If a foreign corporation or other business entity, respondent certifies that the business entity has made the appropriate filing with the Alabama Secretary of State to be qualified to do business in this state. The Certificate of Authority or a letter/form showing application has been made for a Certificate of Authority must be submitted with the proposal.

1.3.5. Favors. Respondent represents and warrants that it has not given, offered to give, and does not intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to any public servant or employee in connection with this RFP and any resulting contract.

1.3.6. Antitrust. Respondent represents and warrants that neither Respondent nor any firm, corporation, partnership, or institution represented by Respondent, nor anyone acting for such firm, corporation or institution has violated the antitrust laws of Alabama or the federal antitrust laws, nor communicated directly or indirectly Respondent's response to any competitor or any other person engaged in such business.

1.3.7. No Conflicts. Respondent represents and warrants that Respondent has no actual or potential conflicts of interest in providing the services to the SEIB under any resulting contract and that Respondent's provision of services under the contract would not reasonably create an appearance of impropriety.

1.3.8. Financial Interests. Respondent represents and warrants that neither Respondent nor any person or entity that will participate financially in the contract has received compensation from the SEIB for participation in preparation of the RFP or other specifications for this RFP and any resulting contract. In responding to this RFP, all Respondents must complete the State of Alabama Disclosure Statement, Attachment D required pursuant to Sections 41-16-80, et seq., Code of Alabama.

1.3.9. ADA. Respondent represents and warrants that it will comply with the requirements of the Americans with Disabilities Act (ADA).

1.3.10. False Statements; Breach of Representations, etc. By signing Respondent's Proposal or Response, Respondent makes all the representations, warranties, guarantees, certifications and affirmations included in this RFP. If Respondent signs the Proposal or Response with a false statement, or it is subsequently determined that Respondent has violated any of the representations, warranties, guarantees, certifications or affirmations included in this RFP, Respondent will be in default under the contract.

1.3.11 Open Trade. In accordance with Act 2016-312, Respondent represents and warrants that it is not currently engaged in and will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

1.4. Evaluation Criteria. Proposals that are submitted in compliance with this RFP will be evaluated by the SEIB according to the criteria set out in the table below.

Criteria for SEIB Evaluation of Proposal Responses:	
(1) <i>Experience & References:</i> Strength of skills, experience and qualifications of the specific individuals who are anticipated to perform the services described in this RFP. References should be clear as to the type of work performed. Quality, reliability and ability to provide the services detailed in this RFP.	40 points
(2) <i>Knowledge of health insurance market:</i> Demonstrates understanding of specific characteristics of the health insurance market.	10 points
(3) <i>Price/Cost:</i> Proposed costs, reasonableness of costs, hourly rates and costs assigned to personnel.	50 points
TOTAL:	100 points

1.5. Anticipated Timetable. The SEIB currently anticipates that the selection of a qualified firm and execution of the contract will proceed according to the following approximate timetable. The SEIB reserves

the right, in its sole discretion, to revise all deadlines related to this RFP and post notice of these revisions on the SEIB website (www.alseib.org).

Issuance of Request for Proposals	February 1, 2017
Deadline for Written Questions	February 14, 2017
Answers Posted	February 28, 2017
Deadline for Proposal Responses	March 15, 2017 5:00 pm CDT

1.6. Contact Persons. The following individuals are the SEIB contact persons with regard to the acts necessary to be performed in accordance with provisions of this RFP.

1.6.1. SEIB Contact Person Prior to Award. All requests for information concerning the scope of work of this RFP must be directed **in writing**, by the date and time indicated above, to John Parks, Chief Fiscal Officer, State Employees' Insurance Board, P.O. Box 304900, Montgomery, Alabama 36130 or by e-mail to jparks@alseib.org. All requests for information concerning this RFP must be directed **in writing**, by the date and time indicated above, to Jeffrey J. Bradwell, General Counsel, State Employees' Insurance Board, P.O. Box 304900, Montgomery, Alabama 36130 or by e-mail to jbradwell@alseib.org. Please see Section 1.7 of this RFP concerning RFP questions and the SEIB's responses. Prior to award, the Respondent or Respondent's Agent may not contact other SEIB employees regarding this RFP.

1.6.2. SEIB Contract Person Following Award. The contact person for day-to-day administration of the contract and any work orders will be as set forth in the contract. These individuals may appoint one or more delegates to assist in the day-to-day administration of the contract and may notify selected Respondents in writing of those delegates.

1.6.3. SEIB Contact Person for Invoices and Payment. The contact person for matters relating to invoicing and payment processing for any resulting contract will be John Parks, SEIB CFO.

1.6.4. The above individuals may be referred to collectively as "SEIB Contact Person" in this RFP.

1.7. Written Questions; SEIB's Response. Respondents may submit any questions about the RFP **in writing** to Jeffrey J. Bradwell, General Counsel, SEIB, no later than the date and time indicated above or via e-mail at jbradwell@alseib.org. The SEIB will respond to these written questions in two ways: (1) the SEIB will e-mail its response to all potential respondents that submit an e-mail request for such a response; and (2) the SEIB will post its response on the SEIB website as an amendment to the RFP posting. The SEIB will not mail any responses. The SEIB will make every reasonable effort to post and e-mail responses by close of business on the date indicated above to written questions received by the deadline indicated above. The SEIB reserves the right, in its sole discretion, to revise all deadlines related to this RFP and post notice of these revisions on the SEIB website (www.alseib.org).

Part II. Specifications

2.1. General Requirements. The SEIB is soliciting responses from qualified respondents to provide the services described in this RFP including, but not limited to, SEIB annual financial audits, federal single audits, or reviews for certain funds.

2.1.1. General Qualifications. The SEIB requires certified public accounting services from experienced certified public accounting firms. Please verify that the firm proposing to provide services has the following qualifications:

2.1.1.1. Minimum of three "Certified Public Accountants" (CPA) on staff with 10 or more years of financial audit experience. Health insurance program experience preferred.

2.1.1.2. Experience in auditing state government agencies/departments.

2.1.1.3. Demonstrated knowledge, through experience, of the health insurance market.

2.1.1.4 Provide a background description of the organization, including:

2.1.1.4.1 The full company or corporate name, address of the headquarters office and the office to serve the SEIB;

2.1.1.4.2 How the business is organized (proprietorship, partnership, corporation, L.L.C.), and parent or subsidiary corporations. Include an organizational chart depicting the Respondent's organization in relation to any parent, subsidiary, or related organization;

2.1.1.4.3 The name, office address, and business telephone numbers of the principal officers of the organization;

2.1.1.4.4 The year in which the Respondent was first organized to do business;

2.1.1.4.5 The percentages and types of other services that Respondent provides;

2.1.1.4.6 The organization's experience in providing audit services to state agencies;

2.1.1.4.7 Examples of previous audits Respondent has conducted for governmental entities and/or health insurance plans (Respondent may redact privileged or confidential information); and

2.1.1.4.8 Disclosure of any disciplinary action, investigation, litigation, or judgment regarding the provision of professional services against the Respondent, including its parent company and subsidiary, or any of its officers, directors, and employees of which the Respondent has knowledge. Disclose any felony convictions within the last three years of any officers, directors, or employees of which the Respondent has knowledge. Disclose any bankruptcy filings or assignments for the benefit of creditors by or against the Respondent, including its parent company and any subsidiary within the last three years of which the Respondent has knowledge. The SEIB reserves the right to reject a proposal solely on the basis of this information.

2.1.2. For all individuals to be listed in the Pricing Form described in Appendix A of this RFP, please indicate on attached sheet(s) the qualifications and submit resumes for the individuals identified in this section.

2.2. Description of Services. The following represent performance and compliance standards for Respondents providing services pursuant to a contract awarded as a result of this RFP:

2.2.1. The performance of financial audits of SEIB operations for the fiscal years ending September 30, 2017, 2018 and 2019. The SEIB is a State agency that administers the State Employees' Health Insurance Plan (SEHIP) and the Alabama Retired State Employees' Health Care Trust Fund.

2.2.2 The providing of an annual review of a report prepared regarding the Flexible Employees' Benefit Plan.

2.2.3. The providing of an annual review of a report prepared by the SEIB in accordance with Ala. Code § 36-29-19.1 (1975).

2.2.4. Reviewing the accuracy of the reports related to Blue Cross and Blue Shield of Alabama's medical, dental and pharmacy performance guarantees for the SEHIP for calendar years 2017, 2018, and 2019 to include:

- 2.2.4.1 Medical and Dental Claims Processing Timeliness;
- 2.2.4.2 Medical and Dental Claims Processing Accuracy;
- 2.2.4.3 Medical and Dental Financial Accuracy;
- 2.2.4.4 Medical and Dental Member Satisfaction;
- 2.2.4.5 Medical and Dental Customer Service;
- 2.2.4.6 Medical and Dental Account Management Satisfaction;
- 2.2.4.7 Medical and Dental Report Production;
- 2.2.4.8 System Availability related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.9 Claims Processing Accuracy related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.10 Customer Service, including average speed to answer and abandonment rate related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.11 Response to Member Written Inquiries related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.12 Initial Contact Resolution related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.13 Eligibility Processing Timeliness related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.14 ID Card Production related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.15 Report Timeliness related to Pharmacy Performance Guarantees for the SEHIP;
- 2.2.4.16 Account Management Satisfaction related to Pharmacy Performance Guarantees for the SEHIP; and
- 2.2.4.17 Member Satisfaction Survey related to Pharmacy Performance Guarantees for the SEHIP.

2.2.5 Conduct a dependent audit for the SEHIP that will include selecting a statistical sample of dependents enrolled as of a particular date, verifying that acceptable documentation is maintained for those dependents and submitting a report in letter format outlining the procedures performed and its findings therefrom.

2.2.6 The services described in Sections 2.2.1, 2.2.2, 2.2.3, and 2.2.5 shall be completed on or before January 31 immediately following the end of fiscal years 2017, 2018 and 2019. The services described in Section 2.2.4 shall be completed on or before March 31 immediately following the end of the calendar year.

2.3. Detailed Requirements, Professional Qualifications, and Conditions. Respondent must employ at a minimum three individuals currently certified as “Certified Public Accountants” (CPA) with 10 or more years of financial audit experience qualified to provide the services described in this RFP and who has no sanctions or restrictions on his or her license.

2.4. Additional Requirements. In addition to the specifications otherwise included in this RFP, Respondent will provide professional services to the SEIB under a contract in accordance with the terms of this RFP, the proposal response, and the following:

2.4.1. Conflicts of Interest. The SEIB wishes to minimize the potential for conflicts of interest. Respondents must submit to the SEIB a detailed disclosure of any conflicts or potential conflicts of interest of Respondent or any of Respondent's employees who will or might provide services under this RFP. Respondents must include a description of efforts the Respondent will undertake to minimize or eliminate potential conflicts of interest. In submitting a response, Respondent certifies that, except as disclosed under the provisions of this section, Respondent possesses the necessary independence for which services might be sought by the SEIB under this RFP.

2.4.2. Other Services. Respondent will provide to the SEIB, as requested, other professional services and deliver to the SEIB other written work product as reasonably related to the services required by the contract.

2.4.3. Reporting Responsibilities. Respondent shall provide all status and progress reports, oral and written, as directed by the SEIB Contact Person and as otherwise required by this RFP. In SEIB's sole discretion, the SEIB will independently document Respondent's compliance with all requirements of the SEIB's contract and expressly reserves the right to act upon such independent documentation.

2.4.4. No Employment Relationship. In the performance of the work, duties and obligations hereunder, Respondent and its employees will not be considered employees of the SEIB and shall not be entitled to or receive merit system benefits. Accordingly, the SEIB will not have any control, direction or dominion over the Respondent other than under the terms of SEIB's contract.

2.5. Contract Cap on Compensation. The contract, when executed, will include a maximum dollar amount or total dollar cap that the SEIB determines, in its sole discretion, is the maximum amount that Respondent may invoice the SEIB. The SEIB may, in its sole discretion, increase this maximum by written notification to Respondent. The SEIB's written notification will be accomplished by SEIB's issuance of a contract amendment that will reference this section.

2.6. Invoices. Pursuant to the terms of any resulting contract, on a monthly basis, Respondent will furnish two copies of an invoice to the SEIB, for services rendered and expenses incurred. See Section 3.22 of this RFP for additional invoice and payment information.

2.6.1. Invoices. Each invoice or billing statement shall itemize costs incurred in connection with the particular matter for which services were rendered.

2.6.2. Hourly Rates. If hourly rates are used, the statement should include all of the following:

2.6.2.1. Original invoices and statements. No payments to third parties will be made directly to any entity other than the approved firm.

2.6.2.2. A description of the services rendered, by date and amount.

2.6.2.3. A time summary indicating the appropriate hourly rate involved.

2.6.2.4. A detailed listing of expenses.

2.6.2.5. A remittance copy of the invoice.

2.6.3. Fee Increases. Unilateral fee increases will not be accepted or approved. All proposed fee increases must be submitted in writing to the SEIB for approval with justification for the fee increase.

2.6.4. Additional Services. After the termination of the contract, and if requested by the SEIB, the Respondent may be requested to prepare for, give testimony, and produce papers in any litigation or

investigation related to its responsibilities under the contract. Respondent may be compensated for such services in a manner agreed upon by both parties.

2.7. Travel and Out of Pocket Expenses. All reasonable actual transportation, meals, lodging or other travel expenses incurred by Respondent for authorized travel are referred to as “Travel Costs.” Under no circumstances will Respondent be compensated for off-duty hours while traveling. Travel expenses are reimbursable when contemplated by or provided in the proposal.

2.7.1. Reimbursement Rates. Transportation and per diem in lieu of reimbursement for actual expenses for intrastate and interstate travel shall be agreed upon through the Contract.

2.7.2 Expenses Related to Services. All travel and out-of-pocket expenses for which reimbursement is claimed must be in connection with work performed under this contract. Respondent shall not be reimbursed for travel time or travel expenses not actually incurred in connection with an assignment.

2.8. Proprietary Interests. All work-papers, data, materials, testimony, information and reports developed by Respondent in draft form will remain the property of Respondent and will be subject to modifications by Respondent until delivery of the final work-papers, data, materials, information and reports required by the contract or until termination of the contract, whichever is earlier. Upon completion of services or upon termination of the contract, whichever is earlier, Respondent will provide to the SEIB all original work-papers, data, materials, testimony, information and reports produced by Respondent during the performance of these services, and such work-papers, data, materials, testimony, information and reports will be the sole property of the SEIB. Respondent retains no proprietary interest in the work-papers, data, materials, testimony, information and reports furnished by Respondent to the SEIB or available to the SEIB under the contract and such work-papers, data, materials, testimony, information and reports will be the sole property of the SEIB. Respondent will retain copies of its original work-papers, data, materials, testimony, information and reports delivered to the SEIB under the contract.

Part III. Terms and Conditions

3.1. Compliance with Requirements. In submitting proposals in response to this RFP, all Respondents agree to comply with all requirements of this RFP and any resulting contract, including the following RFP Parts: General Information, Specifications, Terms and Conditions, and Respondent Response Format. All parts of this RFP are incorporated as part of any resulting contract for all purposes.

3.2. Award of Contract. A response to this RFP is an offer to contract with the SEIB based upon the terms, conditions and specifications contained in this RFP. **Offers and RFP responses do not become part of a contract or agreement with the SEIB unless and until they are accepted and agreed to by the SEIB.** The SEIB reserves the right to make any corrections or include additional requirements in the contract prior to execution that is necessary for SEIB’s compliance, as an agency of the State of Alabama, with all state and federal requirements. In addition, the SEIB reserves the right to withdraw this RFP and/or to not award a contract.

3.3. Rejection of Proposals; Open Records; Reissuance. The SEIB reserves the right to reject, in its sole discretion, any or all RFP responses and all or any part of any response and waive minor irregularities in an otherwise valid proposal. Minor irregularities are those that do not have a significant adverse effect on the overall project cost or performance. The SEIB will award a contract, if any, to serve the best interests of the SEIB and the State of Alabama. The SEIB’s waiver of any deviations in any response will not constitute a modification of this RFP and will not preclude the SEIB from asserting all rights against Respondent for failure to fully comply with all terms and conditions of this RFP. All RFP responses become the property of the SEIB. The SEIB may reissue another RFP for the services as described in this RFP or similar services at any time.

3.4. Pricing. All pricing must be submitted in accordance with the Pricing Form included in Part IV of this RFP and must comply with these requirements. Responses subject to unlimited price increases will not be considered. Responses subject to percentage price increases will not be considered.

3.5. Additional Specifications. Respondents guarantee and warrant that their RFP responses will meet or exceed all specifications of this RFP. No substitutions or cancellations are permitted without prior written approval of the SEIB. The SEIB will not be bound by any oral statements or representations contrary to the written specifications of this RFP.

3.6. Time for Submission. Responses to this RFP must be time stamped by the SEIB *before* the hour and date specified on page 1 of this RFP. Late responses properly identified will be returned to Respondent unopened. Late responses will not be considered under any circumstances. The SEIB reserves the right to evaluate responses submitted prior to the stated deadline as they are received.

3.7. SEIB's Address. Responses should be addressed to Jeffrey J. Bradwell, State Employees' Insurance Board. Responses sent by the U.S. Postal Service should use P.O. Box 304900, Montgomery, Alabama 36130-4900. Responses sent by a delivery service, which require a street address, should use 201 South Union Street, Suite 200, Montgomery, AL 36104.

3.8. No Alterations or Withdrawals of Proposal after Deadline. Responses cannot be altered or amended after the deadline specified on page 1 of this RFP. Any alterations made before this deadline must be initialed by Respondent or Respondent's authorized agent. No responses can be withdrawn after the deadline without approval by the SEIB.

3.9. Facsimile Response. Facsimile responses to this RFP **will not** be accepted.

3.10. Mail Preferred; SEIB Not Liable. This RFP is issued to allow sufficient time for receipt of the preferred mail response. The SEIB is not responsible for responses received late, illegible, incomplete, or otherwise non-responsive due to failure of electronic equipment or operator error. Responses that are late, illegible, incomplete, or otherwise non-responsive will not be considered.

3.11. Tie Proposals Consistent and continued tie proposals could cause rejection of responses by the SEIB and/or investigation of antitrust violations.

3.12. Attachments. The SEIB will not consider any terms and conditions or other documents attached to a response as part of the RFP Response unless the Respondent specifically and prominently refers to each of them on page 1 of the RFP Response. In addition, see Sections 3.2, 3.13, 3.14, 3.15, and 3.16 of this RFP regarding limitations on terms and conditions or attachments to Respondent's RFP Response. The SEIB reserves the right, in its sole discretion, to reject any Respondent's terms and conditions or other documents or attachments as part of Respondent's RFP Response.

3.13. Unacceptable Terms in Respondent's Response.

Unacceptable terms and conditions included in a Respondent's RFP response may result in disqualification of the response. If an award is made to such a Respondent, such terms and conditions are void and are not part of a contract between Respondent and the SEIB. Any terms submitted by Respondent, regardless of whether such terms conflict with this RFP and/or contract, which conflict with or are in violation of Alabama law, are void regardless of whether the SEIB accepts such terms or is deemed to have accepted such terms

3.14. Incorporation of Entire RFP. This RFP will become part of the terms and conditions of all responses and any contract awarded as a result of this RFP. Any exception to the requirements of this RFP must be specifically noted in writing and explained by Respondent in its RFP response as a condition to becoming part of any subsequent contract. Any exceptions must be expressly agreed to by the SEIB in writing and by reference to the particular section of this RFP for which an exception is acceptable. Notwithstanding any other agreement or provision of this RFP to the contrary, any exceptions are subject to the limitations described in this RFP.

3.15. Agreement between SEIB & Respondent. If the SEIB makes a contract award as a result of the issuance of this RFP, the entire agreement between the SEIB and Respondent will consist of the contract executed by the SEIB and Respondent. This RFP and Respondent's response, subject to the limitations described in this RFP and approval by the SEIB, will be incorporated as part of the executed contract.

3.16. Conflicting Provisions. Unless expressly authorized by the executed contract by reference to this section, in the event of conflicting terms or provisions between this RFP, the contract, and Respondent's response, this RFP and the executed contract will control.

3.17. Authority to Bind SEIB; Execute Documents. Unless expressly delegated by the Chief Executive Officer of the SEIB or unless expressly authorized by this RFP, only the Chief Executive Officer of the SEIB or his designee has authority to execute any documents or grant any permissions on behalf of the SEIB with respect to agreements between Respondent and the SEIB.

3.18. Specifications; Performance. Respondent will provide the services described in this RFP in the manner and quality described in the requirements of this RFP and contract. Respondent's failure to conform to all requirements of this RFP may, among other things, result in the SEIB's termination of all or part of the contract.

3.19. Respondent's Costs. Respondent will bear all costs and expenses for the provision of services required by this RFP and any resulting contract. All such costs and expenses must be included in the prices detailed in the contract. No other amounts will be paid by the SEIB. The costs for developing and delivering responses to this RFP are entirely the responsibility of the Respondent.

3.20. No Prepayments. The SEIB will not prepay for any services provided to the SEIB by Respondent in its performance under the contract.

3.21. Refunds. Respondent will promptly refund or credit within thirty (30) calendar days any erroneously paid funds that are not expressly authorized by the SEIB.

3.22. Invoices. For all services that have been accepted by the SEIB, Respondent will submit two (2) copies of an invoice to the SEIB, Attn: John Parks. If by hand delivery or courier, deliver to: 201 South Union Street, Suite 200, Montgomery, AL 36104. If by U.S. Mail, deliver to P.O. Box 304900, Montgomery, AL 36130-4900. Invoices that are received by the SEIB which are otherwise received in non-conformance with all of the requirements of this RFP or the contract will be returned to Respondent unpaid or will be held by the SEIB until proper documentation is submitted. See Section 2.6 of this RFP for additional invoice information.

3.23. Termination and Cancellation Circumstances. The contract may be terminated or canceled in any one of the following circumstances:

3.23.1. Mutual Agreement. Upon the mutual written agreement of the SEIB and Respondent, the contract may be terminated or canceled.

3.23.2. Breach of Material Term. Either party may, upon giving thirty (30) days written notice identifying specifically the basis for such notice, terminate the contract for breach of a material term or condition of the contract, provided the breaching party shall not have cured such breach within the thirty (30) day period. In the event of such termination, Respondent shall be paid for all services provided prior to the date of the termination.

3.23.3. Bankruptcy. Upon the filing of a petition for bankruptcy, or upon the judgment of bankruptcy or insolvency by or against the Respondent, the SEIB may terminate the contract for cause without notice. Such termination will be effective upon the date of such filing or upon the date of such judgment.

3.23.4. Availability of State Funds; Legislative Action; Necessity of Performance. The contract is subject to termination or cancellation, without penalty to the SEIB, either in whole or in part, subject

to the availability of state funds. The SEIB is a state agency whose authority and appropriations are subject to actions of the Alabama Legislature. If the SEIB becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render the services to be provided by Respondent under the contract impossible or unnecessary, the contract will be terminated or canceled and be deemed null and void. In the event of a termination or cancellation under this section, the SEIB will not be liable to Respondent for any damages that are caused or associated with such termination or cancellation and the SEIB will not be required to give notice. In the event of such termination, Respondent shall be paid for all services provided prior to the date of the termination.

3.23.5. Convenience. The SEIB may terminate performance of work under the contract in whole or in part whenever, for any reason, the SEIB, in its sole discretion determines that such termination is in the best interest of the SEIB and State. In the event that the SEIB elects to terminate the contract pursuant to this provision, it shall notify the Respondent by certified or registered mail, return receipt requested or hand-delivery. The termination shall be effective as of the date specified in the notice. In such event, the Respondent will be entitled only to payment for all work satisfactorily completed and for reasonable, documented costs incurred in good faith for work in progress. The Respondent will not be entitled to payment for uncompleted work, or for anticipated profit, unabsorbed overhead, or any other costs.

3.23.5. Reservation of Remedies. The SEIB expressly reserves any and all legal remedies to which it may be entitled to collect any and all damages directly or indirectly resulting from breach of contract by Respondent or any of its agents, representatives, subcontractors, employees, or any other party acting on behalf of the Respondent. The SEIB reserves the right to pursue any and all applicable rights and remedies if the contract is terminated for any reason and the SEIB expressly waives no such rights or remedies.

3.24. Substitute Services. In the event the SEIB terminates or cancels the contract for Respondent's nonperformance or for cause, the SEIB may procure, upon such reasonable terms and in such manner as it deems appropriate, substitute services similar to those so terminated or canceled and Respondent will be liable to the SEIB for any excess or additional costs incurred by the SEIB in acquiring such services plus court costs and attorneys' fees. The SEIB's recovery of costs under this section is in addition to any other remedies available to the SEIB under the contract and/or under applicable law.

3.25. Notice of Termination or Cancellation Delivery. Any termination by the SEIB of the contract that requires notice may be accomplished by the SEIB's delivery to Respondent of a notice of termination or cancellation specifying that the contract is terminated or canceled in accordance with section 3.40.

3.26. Termination or Cancellation Effectiveness. Unless otherwise specified in this RFP or the contract, any termination or cancellation of the contract will be effective upon the date specified in the SEIB's notice of termination or cancellation.

3.27. SEIB Not Liable Upon Termination. If the contract is terminated for any reason, the SEIB and the State of Alabama will not be liable to Respondent for any damages, claims, losses or any other amounts arising from or related to any such termination.

3.28. Respondent Assignments. Respondent hereby assigns to the SEIB any and all claims for overcharges associated with this contract that arise under the antitrust laws of the United States 15 U.S. Code §§ 1, et seq., and that arise under the antitrust laws of the State of Alabama.

3.29. Warranties. Notwithstanding any disclaimers in any RFP response or other Respondent document and notwithstanding any other provision of this RFP or the contract to the contrary, Respondent warrants and guarantees that all services shall meet all specifications of the executed contract and work orders, if any, including but not limited to this RFP.

3.30. Limitation on Authority; No Other Obligations. Respondent will have no authority to act for or on behalf of the SEIB or the State of Alabama except as expressly provided for in the executed contract; no other authority, power or use is granted or implied. Respondent may not incur any debt, obligation, expenses, or liability of any kind on behalf of the SEIB or the State of Alabama.

3.31. No Other Benefits. Respondent has no exclusive rights or benefits other than those set forth herein.

3.32. Parties Bound. The contract will be binding upon and inure to the benefit of the SEIB and Respondent and to their respective heirs, executors, administrators, legal representatives and successors.

3.33. Assignment. Respondent may not assign this RFP and any resulting contract, in whole or in part, and may not assign any right or duty required under the RFP or awarded contract without the prior written consent of the SEIB. Respondent will have no right to transfer, assign, or pledge as security for a debt all or any part of Respondent's interest in any resulting contract without the prior written consent of the SEIB. Any attempted assignment in violation of this section shall be void and without effect.

3.34. Time Limits. Time is of the essence in any resulting contract and accordingly all time limits will be strictly construed and rigidly enforced.

3.35. No Waiver. No provision of this RFP and/or contract will constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the SEIB as an agency of the State of Alabama or otherwise available to the SEIB. The failure to enforce or any delay in the enforcement of any privileges, rights, defenses, remedies, or immunities detailed in the contract or otherwise available to the SEIB by law will not constitute a waiver of said privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. The SEIB does not waive any privileges, rights, defenses, remedies, or immunities available to the SEIB as an agency of the State of Alabama or otherwise available to the SEIB.

3.36. Confidentiality of Information. Respondent will not disclose to anyone, directly or indirectly, any work-papers, data, databases, materials, information or reports in any form that are designated as confidential or that are or could be construed as confidential or subject to restrictions on disclosure under applicable law ("Confidential Information") and received from the SEIB or such Confidential Information to which Respondent has access as a result of or in the course of performing services under this contract without the prior written consent of the SEIB. This confidentiality provision does not apply to information required to be disclosed by law, legal process, and applicable professional standards or to information disclosed in connection with litigation relating to the contract or Respondent's performance. Each party will protect the confidentiality of the Confidential Information in the same manner that it protects the confidentiality of its own proprietary and confidential information of like kind. Nothing in this RFP and any resulting contract shall prohibit or limit either party's use or disclosure of information (including, but not limited to, ideas, concepts, know-how, techniques, and methodologies) (i) previously known to it without obligation of confidence, (ii) independently developed by it, (iii) acquired by it from a third party which is not, to its knowledge, under an obligation of confidence with respect to such information, or (iv) which is or becomes publicly available through no breach of the contract. In the event either party receives a subpoena or other validly issued administrative or judicial process requesting Confidential Information, it shall provide prompt notice to the other party of such receipt. The party receiving the subpoena shall thereafter be entitled to comply with such subpoena or other process to the extent permitted by law, provided, however, that the Respondent is acting as the SEIB's contractor in providing services under the contract and will defer to the SEIB's decision as to compliance with and other matters related to such subpoena or other process. Within three (3) business days of receipt, Respondent will refer to the SEIB any third party requests, received directly by Respondent, for information to which the Respondent has access as a result of or in the course of performing services under the contract.

In addition, the Respondent agrees that it will comply with all applicable requirements and obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") which governs any uses

and disclosures of pharmacy, medical and other individually identifiable health information specifically relating to health plan members (“Protected Health Information” or “PHI”) that may occur as a result of this RFP. Both the SEIB and the Respondent will maintain and protect the confidentiality of all PHI in accordance with the applicable requirements and obligations under HIPAA and all applicable federal and state laws and regulations. However, nothing herein will limit either the SEIB or the Respondent’s use of any aggregated patient information that does not contain or constitute PHI. The successful Respondent will be required to sign and comply with the terms of the Business Associate Agreement with SEIB attached hereto as Attachment B.

3.37. Indemnification. Respondent will indemnify, save and hold harmless the SEIB, its officers, agents, and employees, and the State of Alabama, its officers, agents, and employees from any and all claims, actions, suits, demands, damages, losses, costs, expenses, judgments, or any other amounts, including, but not limited to, attorneys' fees and court costs, arising from or related to acts, errors, or omissions of Respondent or Respondent's employees. The SEIB will not indemnify, save and hold harmless Respondent for any amounts for any purposes. This provision survives the termination or expiration of any awarded contract.

3.38. Patent, Trademark, Copyright Infringement. Respondent will defend and indemnify the SEIB and the State of Alabama against claims of patent, trademark, copyright, trade secret or other proprietary rights, violations or infringement to the extent arising from the SEIB's or Respondent's use of or acquisition of any services, reports, materials, information, or other items provided to the SEIB by Respondent or otherwise to which the SEIB has access as a result of Respondent’s performance under the contract, provided that the SEIB will notify Respondent of any such claim within a reasonable time of the SEIB’s receiving notice of any such claim. Respondent will pay all reasonable costs of the SEIB’s counsel. If Respondent is notified of any claim subject to this section, Respondent will notify the SEIB of such claim within five (5) business days of such notice. If the SEIB determines that a conflict exists between its interests and those of Respondent or if the SEIB is required by applicable law to select separate counsel, the SEIB will be permitted to select separate counsel and the reasonable costs of such counsel will be paid by Respondent. Respondent will make no settlement of any such claim without the SEIB's prior written approval. Respondent will reimburse the SEIB and the State of Alabama for any claims, damages, costs, expenses or other amounts, including, but not limited to, attorneys' fees and court costs, arising from any such claim.

3.39. Support Documents; Inspection of Records. Respondent will maintain and retain required records and supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Alabama requirements. These records and supporting fiscal documents will be maintained and retained by Respondent for a period of four (4) years after the date of submission of the final invoices or until a resolution of all billing questions, whichever is later. However, if audit, litigation, or other legal action by or on behalf of the State or Federal Government has begun but is not completed at the end of the four-year period, the records shall be retained until resolution. Respondent will make available at reasonable times and upon reasonable notice, and for reasonable periods, work papers, reports, books, records, and supporting documents kept current by Respondent pertaining to any awarded contract for purposes of inspecting, monitoring, auditing, or evaluating by the SEIB or the State of Alabama.

3.40. Notices. Any written notices required under the contract will be by either hand delivery to Respondent’s office or to the SEIB’s office, Attn: Jeffrey J. Bradwell 201 South Union Street, Montgomery, AL 36104 or by U.S. Mail, certified, return receipt requested, addressed to Respondent’s office or to the SEIB at P.O. Box 304900, Montgomery, Alabama 36130-4900. Notice will be effective on receipt by the affected party. The SEIB and Respondent agree that either party may change the designated notice address in this section by written notification to the other party.

3.41. Force Majeure. The parties may be granted relief from performance of the contract if either party is prevented from compliance and performance by an act of war, order of legal authority, act of God, or

other unavoidable cause not attributable to the fault or negligence of either party. The burden of proof for the need of force majeure relief under this section will rest upon the party requesting relief. To obtain release based on force majeure, the requesting party must file a written request with the other party.

3.42. Subcontracts. Respondent must certify that all individuals listed in the “Pricing Form” required by Appendix A of this RFP are employees, members or partners of the Respondent. None of the services to be provided by the Respondent pursuant to the contract shall be subcontracted or delegated to any other organization, subdivision, association, individual, corporation, partnership, limited liability company, group of individuals, or other such entity without the prior written consent of the SEIB. Any subcontract to which the SEIB has consented shall be in writing attached to the primary contract and made a part thereof and shall in no way alter the primary contract terms and conditions, to include, but not limited to, providing the same access to books, documents, and records provided for in Section 3.39 of this RFP. No subcontract or delegation shall relieve or discharge the contractor from any obligation, provision or liability under the primary contract. Respondent expressly understands and acknowledges that, in entering into any approved subcontract, the SEIB and the State of Alabama are not liable to any subcontractor of Respondent for any amounts. Respondent will retain responsibility for ensuring that the performances rendered under any subcontracts comply with all requirements of this procurement as if such performances were rendered by Respondent.

3.43. Title and Ownership. The SEIB and the State of Alabama will receive and Respondent will convey to the SEIB and the State title, ownership and licenses, whichever is applicable, to all services under the contract.

3.44. Severability. If any provision of the contract will, for any reason, be held to violate any applicable law, and so much of the contract is held to be unenforceable, then the invalidity of such a specific provision will not be held to invalidate any other provisions; such other provisions will remain in full force and effect unless removal of said invalid provisions destroys the legitimate purpose of the contract, in which event the contract will be canceled.

3.45 Not to Constitute a Debt It is agreed that the terms and commitments contained herein shall not be constituted as a debt of the State of Alabama in violation of Article XI, Section 213, Constitution of Alabama of 1901, as amended by Amendment 26. It is further agreed that if any provision of this contract shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of this contract, be enacted, then that conflicting provision in the contract shall be deemed null and void. The Respondent’s sole remedy for the settlement of any and all disputes arising under the terms of this agreement shall be limited to the filing of a claim with the Board of Adjustment for the state of Alabama.

3.46. Entire Agreement. Except as expressly provided otherwise herein, the contract will represent the entire agreement by and between the SEIB and Respondent regarding the subject matter of this RFP. This agreement may not be modified or amended except by the SEIB's written contract amendment or otherwise by the mutual written agreement of the parties.

3.47. Acceptance of Terms. By submitting a response, acknowledging and accepting the contract, or delivering any services under the contract, Respondent acknowledges, accepts and agrees to all terms of the contract, including, but not limited to, this RFP.

Part IV. Respondent Proposal/Response Format

4.1. Respondent Documents. All Respondent’s documents that are related to the requested services, this RFP, the Proposal Responses or the contract, if any, are collectively referred to in this RFP as “Respondent Documents.” Responses must include copies of all Respondent documents. The SEIB reserves the right to reject all Respondent documents that are not included or submitted with RFP Responses. Respondent documents that are not submitted with Respondent’s RFP response will not be accepted or considered part

of the response or any resulting contract. The SEIB reserves the right to request clarifications with any or all Respondents if they are necessary to properly clarify compliance with the requirements of this RFP. SEIB will not be liable for any costs associated with such clarifications. The purpose of any such clarifications will be to ensure full understanding of the response. If clarifications are requested, the Respondent must submit such clarifications in writing within the specified time frame.

4.1.1 Disclosure of Proposal Contents. Proposals and supporting documents are kept confidential until the evaluation process is complete and a Respondent has been selected. The Respondent should be aware that any information in a proposal may be subject to disclosure under Alabama law. Designation as proprietary or confidential information may not protect any materials included within the proposal from disclosure if required by law. The Respondent may submit a second redacted copy and should mark or otherwise designate any material that it feels is proprietary or otherwise confidential. The Respondent must also state any legal authority as to why the redacted information should not be subject to public disclosure under Alabama Open Records law. Information contained in the Pricing Form in Appendix A may not be marked as confidential. The SEIB assumes no liability for the disclosure of information not identified by the Respondent as confidential. If the Respondent identifies the entire proposal as confidential, the SEIB may deem the proposal as non-responsive and may reject it.

4.2. Mandatory Response Requirements. The RFP response/proposal must be responsive to all requirements set forth in this RFP and prepared according to the form described in this RFP.

4.2.1. Signature; Original & 1 copy. All Proposal Responses must be typewritten on standard 8 ½" x 11" paper and must be bound. All Respondents must sign this RFP in ink in the space provided on page 1 of this RFP. Failure to manually sign the space provided on page 1 of this RFP will disqualify the proposal. The person signing the Proposal Response must show title or authority to bind his or her firm in a contract. Respondents must submit an original proposal (with original signature) and one (1) copy. **Please note the importance of one identical copy, as the copy will be distributed for individual review.** In addition, the Respondent may submit a second copy with any information asserted as confidential or proprietary removed. Any redacted information must be clearly indicated.

4.2.1.1. Sealed Envelope. All proposals must be submitted in a sealed envelope.

4.2.1.2. Range of Services. Responses must specify all ranges of services to be provided. Proposals must specify complete range of professional and auditing services that Respondent is qualified to provide and will provide if awarded the contract. Proposals for services that are only partial in nature will be disqualified.

4.2.1.3. Transmittal Letter. Proposals must be submitted with a transmittal letter signed by an individual with authority to bind the Respondent in a contract with the SEIB. Proposals must include the Respondent identification number, which is the Federal Employers Taxpayer Identification Number. The letter must also include the following statement:

“The undersigned represents that the only person or persons, companies or parties interested in the Proposal as principals are named in this Proposal. This proposal is made without collusion with any other person, persons, company or parties submitting a proposal. This proposal is in all respects fair and submitted in good faith without collusion or fraud. The undersigned has full authority to bind the Respondent in a contract with the SEIB. This proposal shall remain firm and be valid through the latest date for completion of services under any contract issued as a result of this RFP. Respondent understands that the SEIB’s boilerplate contract and terms and conditions included in the RFP are not negotiable and will

not be revised unless the SEIB determines, in its sole discretion, that revision would be in the best interests of the SEIB and the State of Alabama.”

4.2.2. Fill in All Blanks and Attachments. Unless otherwise indicated, Respondents must complete all of the following blanks and include all required attachments in its Response at the time of the initial submission of the RFP Response to the SEIB.

4.2.2.1. Respondent’s Contact Persons. Respondent must list the name, title, phone number and email address of at least two (2) individuals who will be the contact persons for this RFP and who have the authority to respond to questions from the SEIB.

Name: _____

Title: _____

Phone Number: _____

Email: _____

Name: _____

Title: _____

Phone Number: _____

Email: _____

4.2.2.2. References. Respondents must provide a separate list of all states, agencies or other entities for which Respondent has provided services similar to those requested in this RFP within the last four (4) years. Respondents must include names and telephone numbers of contact persons at each named entity.

(1) Agency or Entity: _____

Name and Telephone Number of Contact: _____

(2) Agency or Entity: _____

Name and Telephone Number of Contact: _____

(3) Agency or Entity: _____

Name and Telephone Number of Contact: _____

4.2.2.3. Cancellations. Respondents must provide a list of all contracts that Respondent executed or accepted for audit services within the last two (2) years that were canceled by any state agency or other entity prior to completion. For each canceled contract, include a detailed explanation for the cancellation and final resolution of the matter. Include the names and telephone numbers of each such agency's or entity’s contact individual who has knowledge of the cancellation and the reasons for the cancellation. If none, specify none.

4.2.2.4 Pricing Form. Respondents must complete and attach the Pricing Form included in this RFP as Appendix A. Proposal Responses must include specific hourly rates for all individuals that may provide services under any awarded contract, and must reflect all levels of required services. The hourly rates must include all costs at all staffing levels Respondent determines might be necessary to deliver examination services that meet all specifications of

this RFP, other than travel costs and related out-of-pocket expenses. Reimbursement of travel cost and related out-of-pocket expenses will be limited as described in Section 2.7 of this RFP.

The SEIB will pay no costs or expenses of Respondent in submitting a response to this RFP. The SEIB will pay no amounts to selected Respondents or any other entity under any contract or any other agreement resulting from this RFP. The SEIB will not authorize payments for any costs incurred prior to or for periods prior to the effective date of the SEIB's contract, if any, resulting from this RFP.

4.2.2.5. Conflicts or Potential Conflicts of Interest. Respondent must provide a statement of any conflicts or potential conflicts of interest of Respondent or Respondent's employees, who will or may provide services under any contract resulting from this RFP. Failure to disclose all conflicts or potential conflicts of interest may result in Respondent being disqualified and may result in cancellation of the contract. In submitting a proposal response, Respondent certifies that, except as disclosed under the provisions of this section, Respondent possesses the necessary independence in the provision of services sought by the SEIB under this RFP.

4.2.2.6. Qualifications. Respondent must specifically detail the names, qualifications, education, training, experience and certifications of any Employee who will or may provide services under any contract resulting from this RFP. Respondent must represent and warrant that each Employee, including replacement Employees, if any, will possess the qualifications, education, training, experience and certifications necessary to perform the services under the contract in the manner required by this RFP.

4.2.2.7. Other Information. Respondents may include any information that Respondent considers relevant but not solicited in this RFP.

4.2.3. Respondent Identification. Respondent must provide its Federal Employer's Identification Number.

4.3. Pricing Form. All proposals must include a completed Audit/Review Fees form attached hereto in Appendix A.

APPENDIX A**AUDIT/REVIEW FEES****STATE EMPLOYEES' INSURANCE BOARD (SEIB)**

Quotation is for annual financial audits, federal single audits, or reviews for the funds listed below in accordance with Generally Accepted Auditing Standards (GAAS) and the Governmental Accounting Standards Board (GASB) for the fiscal years ending September 30, 2017, 2018 and 2019. Performance reviews are on a calendar year basis for the years 2017, 2018, and 2019. If a fund/program has no activity in a fiscal year or is discontinued, no audit or review services will be required and compensation will be reduced by the amount quoted below for that service.

- SEIB - State Employees' Health Insurance Plan and Alabama Retired State Employees' Health Care Trust Fund (AUDIT) (Sec. 2.2.1)
- FEBB - Flexible Employees' Benefits Plan (REVIEW) (Sec 2.2.2)
- REFORM - Annual Review in Accordance with Code of Alabama, Section 36-29-19.1 (REVIEW) (Sec. 2.2.3)
- DEPENDENT – Dependent audit for the State Employees' Health Insurance Plan (Sec. 2.2.6)
- PERF RVW- Performance Guarantee Review (Sec. 2.2.5).

Audit/Review		FY2017	FY2018	FY2019	Total
SEIB					
FEBB					
REFORM					
DEPENDENT					
		CY2017	CY2018	CY2019	
PERF RVW					
Total					

I agree to all conditions contained in the attached Request for Proposal.

CPA Firm

Partner

Date

APPENDIX B: CONTRACT AND ATTACHMENTS

Attachment A	Sample Contract
Attachment B	Business Associate Agreement
Attachment C	Immigration Status
Attachment D	Disclosure Statement
Attachment E	Beason-Hammon Certificate of Compliance
Attachment F	Memorandum Regarding Reporting Requirements to Ethics Commission

CONTRACT
BETWEEN
THE STATE EMPLOYEES' INSURANCE BOARD
AND
Contractor's name here

KNOW ALL MEN BY THESE PRESENTS, that the State Employees' Insurance Board, an Agency of the State of Alabama, and _____, Contractor, agree as follows:

Contractor shall perform all of the work required under the Request for Proposal (RFP) Number _____, dated _____, strictly in accordance with the requirements thereof and Contractor's response thereto.

Contractor shall be compensated for performance under this contract in accordance with the provisions of the RFP and the price provided on the RFP Pricing Form response, in an amount not to exceed _____.

Contractor and the State Employees' Insurance Board agree that the initial term of the contract is ____ to _____.

This contract specifically incorporates by reference the RFP, any attachments and amendments thereto, and Contractor's response.

Pursuant to Ala. Code §31-13-9(k), by signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the state of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

In accordance with Act 2016-312, Contractor represents and warrants that it is not currently engaged in and will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

CONTRACTOR

STATE EMPLOYEES' INSURANCE BOARD

This contract has been reviewed for and is approved as to content.

Contractor's name here

William Ashmore
Chief Executive Officer

Date signed

Date signed

Printed Name

This contract has been reviewed for legal form and complies with all applicable laws, rules, and regulations of the State of Alabama governing these matters.

Tax ID: _____

APPROVED:

Legal Counsel

Governor, State of Alabama

ATTACHMENT A

**BUSINESS ASSOCIATE AGREEMENT
BETWEEN
THE STATE EMPLOYEES' INSURANCE BOARD
AND**

This Agreement as made and entered into this ___TH day of _____, 20___, by and between the State Employees' Insurance Board (201 South Union Street, Suite 200, Montgomery, Alabama 36104), on behalf of the State Employees' Insurance Plan, hereinafter collectively designated as "Covered Entities", and _____ hereinafter designated as "Business Associate".

WHEREAS, Covered Entities and Business Associate desire and are committed to complying with all relevant federal and state law with respect to the confidentiality and security of Protected Health Information (PHI), including, but not limited to, the federal Health Insurance Portability and Accountability Act of 1996, and accompanying regulations, as amended from time to time (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), and any regulations promulgated thereunder.

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, and intending to establish a business associate relationship under 45 CFR §164, the parties hereby agree as follows:

I. Definitions

- a. "Business Associate" shall have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean _____.
- b. "Breach" shall have the same meaning as the term "breach" set out in 45 CFR 164.402.
- c. "CFR" means the Code of Federal Regulations. A reference to a CFR section means that section as amended from time to time; provided that if future amendments change the designation of a section referred to herein, or transfer a substantive regulatory provision referred to herein to a different section, the section references herein shall be deemed to be amended accordingly.

- d. "Compliance Date(s)" shall mean the date(s) established by the Secretary or the United States Congress as the effective date(s) of applicability and enforceability of the Privacy Rule, Security Rule and HITECH Standards.
- e. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR §164.501 and shall include a group of records that is: (i) the enrollment, payment, claims adjudication and case or medical management record systems maintained by or for Covered Entities or (2) used, in whole or in part, by or for Covered Entities to make decisions about Individuals.
- f. "Electronic Protected Health Information" (EPHI) shall have the same meaning as the term "electronic protected health information" in 45 CFR §160.103, limited to the information received from, or created on behalf of, Covered Entities by Business Associate.
- g. "HITECH Standards" shall mean the privacy, security and security breach notification provisions applicable to a Business Associate under Subtitle D of the Health Information Technology for Education and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act of 2009, and any regulations promulgated thereunder.
- h. "Individual" shall have the same meaning as the term "individual" in 45 CFR §160.103, and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).
- i. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR parts 160 and 164, subparts A and E.
- j. "Protected Health Information" (PHI) shall have the same meaning as the term "protected health information" in 45 CFR §160.103, limited to the information received from, or created on behalf of, Covered Entities by Business Associate.
- k. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR §164.103.
- l. "Security Incident" shall have the same meanings as the term "security incident" in 45 CFR §164.304.
- m. "Security Rule" shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR parts 160 and 164, subparts A and C.

Terms used, but not otherwise defined, shall have the same meaning as those terms in the Privacy Rule, Security Rule and HITECH Standards.

II. Obligations of Business Associate

- a. Business Associate agrees not to use or disclose PHI other than as permitted or required by this Agreement or as Required by Law. Business Associate will take reasonable efforts to limit requests for, use and disclosure of PHI to the minimum necessary to accomplish the intended request, use or disclosure and comply with 45 CFR 164.502(b) and 514(d).
- b. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical, and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that it creates, receives, maintains, or transmits on behalf of the Covered Entities as required by the Security Rule.
- c. Business Associate agrees to report to Covered Entities any use or disclosure of PHI, other than as provided for by this Agreement, promptly after Business Associate has actual knowledge of such use or disclosure, and to report promptly to the Covered Entities all Security Incidents of which it becomes aware as determined by Business Associate except that, for purposes of this Security Incident reporting requirement, the term "Security Incident" shall not include unsuccessful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system of which it becomes aware as determined by Business Associate. Following the discovery of a breach of unsecured PHI, Business Associate shall notify Covered Entities of such breach without unreasonable delay, and in no event later than thirty (30) calendar days after such discovery. The notification will include the identification of each individual whose unsecured PHI has been, or is reasonably believed to have been, accessed, acquired or disclosed during the breach. A breach shall be treated as discovered as of the first day on which such breach is known or reasonably should have been known to Business Associate. Any notices required to be delivered by Covered Entities hereunder shall be at the expense of the Business Associate.

- d. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this agreement or applicable regulations.
- e. Business Associate agrees to ensure access to ePHI is limited to workforce members who require such access because of their role or function.
- f. Business Associate agrees to implement safeguards to prevent its workforce members who are not authorized to have access to such ePHI from obtaining access and to otherwise ensure compliance by its workforce with the Security Rule.
- g. Within fifteen (15) business days of receiving a request from Covered Entities, Business Associate agrees to implement restrictions on use or disclosure of PHI agreed to by the Covered Entities on behalf of an Individual in accordance with 45 CFR164.522(a).
- h. Within fifteen (15) business days of receiving a request from Covered Entities, Business Associate agrees to honor requests for alternative communications agreed to by Covered Entities on behalf of an individual in accordance with 45 CFR164.522(b).
- i. In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, Business Associate agrees to ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information, including agreeing in writing to implement the same reasonable and appropriate safeguards that apply to Business Associate to protect the Covered Entities' ePHI.
- j. If Business Associate maintains PHI in a Designated Record Set, Business Associate agrees to make available to Covered Entities, within a reasonable time, such information as Covered Entities may require to fulfill Covered Entities' obligations to respond to a request for access to PHI as provided under 45 CFR §164.524 or to respond to a request to amend PHI as required under 45 CFR §164.526. Business Associate shall refer to Covered Entities all such requests that Business Associate may receive from Individuals. If Covered Entities request Business Associate to amend PHI in Business Associate's possession in order to comply with 45 CFR §164.526, Business Associate shall effectuate such

amendments no later than the date they are required to be made by 45 CFR §164.526; provided that if Business Associate receives such a request from Covered Entities less than ten (10) business days prior to such date, Business Associate will effectuate such amendments as soon as is reasonably practicable.

- k. If applicable, Business Associate agrees to provide to Covered Entities, within a reasonable time, such information necessary to permit Covered Entities to respond to a request by an Individual for an accounting of disclosures as provided under 45 CFR §164.528. Business Associate shall refer to Covered Entities all such requests which Business Associate may receive from individuals.
- l. Upon reasonable notice, Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI available to the U.S. Secretary of Health and Human Services, or an officer or employee of that Department to whom relevant authority has been delegated, at Covered Entities' expense in a reasonable time and manner, for purposes of the Secretary determining Covered Entities' compliance with the Privacy Rule.
- m. Notwithstanding any other provision in this agreement, Business Associate hereby acknowledges and agrees that to the extent it is functioning as a Business Associate of Covered Entities, Business Associate will comply with the HITECH Business Associate provisions and with the obligations of a Business Associate as prescribed by HIPAA and the HITECH Act. Business Associate and the Covered Entities further agree that the provisions of HIPAA and the HITECH Act that apply to Business Associates, and that are required to be incorporated by reference in a Business Associate Agreement, are incorporated into this agreement between Business Associate and Covered Entities as if set forth in this agreement in their entirety.

III. Permitted uses and disclosures by Business Associate

Except as otherwise limited in this Agreement, Business Associate may:

- a. Use or disclose PHI on behalf of the Covered Entities, if such use or disclosure of PHI would not violate the Privacy Rule, including the minimum necessary standard, if done by the Covered Entities.
- b. Use or disclose PHI to perform the services outlined in any and all services agreements, or other contracts, entered into between Covered Entities and Business Associate.

- c. Use PHI for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate.
- d. Disclose PHI for the proper management and administration of Business Associate, or to fulfill any present or future legal responsibilities of Business Associate, provided that such disclosure is either required by law or Business Associate obtains reasonable assurances from any person to whom PHI is disclosed that such person will: (i) keep such information confidential, (ii) use or further disclose such information only for the purpose for which it was disclosed to such person or as required by law, and (iii) notify Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- e. Use PHI to provide data aggregation services relating to the health care operations of the Covered Entities, as provided in 45 CFR §164.501.
- f. To create de-identified data, provided that the Business Associate de-identifies the information in accordance with the Privacy Rule. De-identified information does not constitute PHI and is not subject to the terms and conditions of this Agreement.
- g. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(1).

IV. Obligations of Covered Entities

- a. Covered Entities shall notify Business Associate of any facts or circumstances that affect Business Associate's use or disclosure of PHI. Such facts and circumstances include, but are not limited to: (i) any limitation or change in Covered Entities' notice of privacy practices, (ii) any changes in, or withdrawal of, an authorization provided to Covered Entities by an Individual pursuant to 45 CFR §164.508; and (iii) any restriction to the use or disclosure of PHI that Covered Entities has agreed to in accordance with 45 CFR §164.522.
- b. Covered Entities warrant that they will not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or is not otherwise authorized or permitted under this Agreement.
- c. Covered Entities acknowledge and agree that the Privacy Rules allow the Covered Entities to permit Business Associate to disclose or provide access to PHI, other than Summary Health Information, to the Plan Sponsor only after the Plan

documents have been amended to provide for the permitted and required uses and disclosures of PHI and to require the Plan Sponsor to provide a certification to the Plan that certain required provisions have been incorporated into the Plan documents before the Plan may disclose, either directly or through a Business Associate, any PHI to the Plan Sponsor.

d. Covered Entities agree that they will have entered into Business Associate Agreements with any third parties to whom Covered Entities direct and authorize Business Associate to disclose PHI.

V. Effective date: termination

a. The effective date of this agreement shall be the date this agreement is signed by the parties.

b. This agreement shall terminate on the date Business Associate ceases to be obligated to perform the functions, activities, and services described in Article III Sections A and B.

c. Upon Covered Entities' knowledge of a material breach by Business Associate of this Agreement, Covered Entities shall notify Business Associate of such breach and Business Associate shall have thirty (30) days to cure such breach. In the event Business Associate does not cure the breach, or cure is infeasible, Covered Entities shall have the right to immediately terminate this Agreement and any underlying services agreement. If cure of the material breach is infeasible, Covered Entities shall report the violation to the Secretary.

d. Upon termination of this agreement, Business Associate will return to Covered Entities, or if return is not feasible, destroy, any and all PHI that it created or received on behalf of Covered Entities and retain no copies thereof. If the return or destruction of the PHI is determined by Business Associate not to be feasible, or if Business Associate is required by law to retain such information or copies thereof, Business Associate will maintain the PHI for the period of time required under applicable law, or in accordance with Business Associate's internal record retention schedule as in effect from time to time, whichever is longer, after which time Business Associate shall return or destroy the PHI.

e. Business Associate's obligations under Sections II and III above shall survive the termination of this agreement with respect to any PHI so long as it remains in the possession of Business Associate.

VI. Other provisions

a. The parties acknowledge that the foregoing provisions are designed to comply with the mandates of the Privacy and Security Rules and the HITECH Standards. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law. If the parties are unable to reach agreement regarding an amendment within thirty (30) days of the date that Business Associate receives any written objection from Covered Entities, either party may terminate this Agreement upon ninety (90) days written notice to the other party. Any other amendment to the Agreement unrelated to compliance with applicable law and regulations shall be effective only upon execution of a written agreement between the parties.

b. Except as it relates to the use, security and disclosure of PHI and electronic transactions, this agreement is not intended to change the terms and conditions, or the rights and obligations, of the parties under any other services agreement between them.

c. Business Associate agrees to defend, indemnify and hold harmless Covered Entities, their affiliates and directors, officers, employees, agents or assigns from and against any and all actions, causes of action, claims, suits and demands whatsoever, and from all damages, liabilities, costs, charges, debts, fines, government investigations, proceedings, and expenses whatsoever (including reasonable attorneys' fees and expenses related to any litigation or other defense of any claims), which may be asserted, or for which it may now or hereafter become subject, arising in connection with (i) any misrepresentation, breach of warranty or non-fulfillment of any undertaking on its part under this agreement; and (ii) any claims, demands, awards, judgments, actions, and proceedings made by any person or organization arising out of, or in any way connected with, Business Associate's performance under this agreement.

d. Nothing express or implied in this agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entities, Business

Associate, and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

e. Any ambiguity in this agreement shall be resolved in favor of a meaning that permits the Covered Entities to comply with the Privacy and Security Rules and the HITECH Standards.

f. If any provision of this Agreement is held illegal, invalid, prohibited or unenforceable by a court of competent jurisdiction, that provision shall be limited or eliminated in that jurisdiction to the minimum extent necessary so that this agreement shall otherwise remain in full force and effect and enforceable.

g. This Agreement shall be governed by and construed in accordance with the laws of the state of Alabama to the extent not preempted by the privacy or security or other applicable federal law.

h. This Agreement replaces and supersedes in its (their) entirety any prior Business Associate Agreement(s) between the parties.

In witness whereof, this agreement has been signed and delivered as of the date first set forth above.

State Employees' Insurance Board

By: William L. Ashmore

As its: Chief Executive Officer

By:

As its: _____

IMMIGRATION STATUS

I hereby attest that all workers on this project are either citizens of the United States or are in a proper and legal immigration status that authorizes them to be employed for pay within the United States.

Signature of Contractor

Witness

ATTACHMENT C



State of Alabama Disclosure Statement

(Required by Act 2001-955)

ENTITY COMPLETING FORM

ADDRESS

CITY, STATE, ZIP

TELEPHONE NUMBER

()

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD

State Employees' Insurance Board

ADDRESS

201 S. Union Street Suite 200

CITY, STATE, ZIP

Montgomery, Alabama 36104

TELEPHONE NUMBER

(334) 263-8341

This form is provided with:

- Contract
 Proposal
 Request for Proposal
 Invitation to Bid
 Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

- Yes
 No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

STATE AGENCY/DEPARTMENT	TYPE OF GOODS/SERVICES	AMOUNT RECEIVED

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

- Yes
 No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

STATE AGENCY/DEPARTMENT	DATE GRANT AWARDED	AMOUNT OF GRANT

- List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF PUBLIC OFFICIAL/EMPLOYEE	ADDRESS	STATE DEPARTMENT/AGENCY

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF FAMILY MEMBER	ADDRESS	NAME OF PUBLIC OFFICIAL/ PUBLIC EMPLOYEE	STATE DEPARTMENT/ AGENCY WHERE EMPLOYED
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If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

NAME OF PAID CONSULTANT/LOBBYIST	ADDRESS
----------------------------------	---------

By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.

Signature Date

Notary's Signature Date Date Notary Expires

Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000.

State of _____)

County of _____)

CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535, as amended by Act 2012-491)

DATE: _____

RE Contract/Grant/Incentive (describe by number or subject): _____ by and between _____ (Contractor/Grantee) and the State Employees' Insurance Board (State Agency or Department or other Public Entity)

The undersigned hereby certifies to the State of Alabama as follows:

1. The undersigned holds the position of _____ with the Contractor/Grantee named above, and is authorized to provide representations set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535 of the Alabama Legislature, as amended by Act 2012-491) which is described herein as "the Act".
2. Using the following definitions from Section 3 of the Act, select and initial either (a) or (b), below, to describe the Contractor/Grantee's business structure.

BUSINESS ENTITY. Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. "Business entity" shall include, but not be limited to the following:

- a. Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.
- b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license, and any business entity that is operating unlawfully without a business license.

EMPLOYER. Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

_____(a) The Contractor/Grantee is a business entity or employer as those terms are defined in Section 3 of the Act.

_____(b) The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.

3. As of the date of this Certificate, Contractor/Grantee does not knowingly employ an unauthorized alien within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama;
4. Contractor/Grantee is enrolled in E-Verify unless it is not eligible to enroll because of the rules of that program or other factors beyond its control.

Certified this _____ day of _____ 20_____.

Name of Contractor/Grantee/Recipient

By: _____

Its _____

The above Certification was signed in my presence by the person whose name appears above, on

this _____ day of _____ 20_____.

WITNESS: _____

Print Name of Witness

ATTACHMENT E



STATE EMPLOYEES' INSURANCE BOARD

PO Box 304900 • Montgomery, AL 36130-4900
201 South Union Street, Suite 200 • Montgomery, AL 36104
Phone: 334-263-8341 or 1-866-836-9737 • Fax: 334-263-8541
www.alseib.org

Joe N. Dickson
Chairman

William L. Ashmore
CEO

MEMORANDUM

SUBJECT: Reporting to Ethics Commission by Persons Related to SEIB Employees

Section 36-25-16(b) of the Code of Alabama (1975) provides that anyone who enters into a contract with a state agency for the sale of goods or services exceeding \$7,500 shall report to the State Ethics Commission the names of any adult child, parent, spouse, brother or sister employed by the agency.

Please review your situation for applicability of this statute. The address of the Alabama Ethics Commission is:

100 North Union Street
RSA Union Building
Montgomery, Alabama 36104

A copy of the statute is reproduced below for your information.

Section 36-25-16. Reports by persons who are related to public officials or public employees and who represent persons before regulatory body or contract with state.

- (a) When any citizen of the state or business with which he or she is associated represents for a fee any person before a regulatory body of the Executive Branch, he or she shall report to the commission the name of any adult child, parent, spouse, brother, or sister who is a public official or a public employee of that regulatory body of the Executive Branch.
- (b) When any citizen of the state or business with which the person is associated enters into a contract for the sale of goods or services to the State of Alabama or any of its agencies or any county or municipality and any of their respective agencies in amounts exceeding seven thousand five hundred dollars (\$7,500), he or she shall report to the commission the names of any adult child, parent, spouse, brother, or sister who is a public official or public employee of the agency or department with whom the contract is made.
- (c) This section shall not apply to any contract for the sale of goods or services awarded through a process of public notice and competitive bidding.
- (d) Each regulatory body of the Executive Branch, or any agency of the State of Alabama shall be responsible for notifying citizens affected by this chapter of the requirements of this section.

(Acts 1973, No. 1056, p. 1699, §15; Acts 1975, No. 130, p. 603, §1; Acts 1995, No. 95-194, p. 269, §1.)

ATTACHMENT F