



Laredo Independent School District
Purchasing Department
1702 Houston Street, Rm. 101
Laredo, Texas 78040
Tel: 956-273-1080
Fax: 956-273-1085

REQUEST FOR PROPOSALS

Laredo Independent School District invites you to submit a Proposal for:

RFP #17-052 Self-Insured Health Insurance

REFERENCE NUMBER	RFP #17-052
RESPONSE MUST BE DELIVERED BY	March 26, 2018 at 2:30 p.m. central standard time (Note: Without exception – Proposal must be time and date stamped by the Procurement Department. Timely physical delivery is at the risk of the respondent.)
RESPONSE MUST BE DELIVERED TO	Laredo Independent School District Procurement Department 1702 Houston Street, Room 101 Laredo, Texas 78040
ESTIMATED CONTRACT PERIOD	January 1, 2019 to December 31, 2021 with the possibility of extending contract for two additional one year periods, with the district's option to terminate at the end of each year or other necessary times. Subject to change based on approval timelines by the LISD Board of Trustees and annual evaluation review.
PRE-PROPOSAL MEETING	N/A
DISTRICT BUYER IN CHARGE OF PROPOSAL	All questions regarding this proposal should be in writing and directed to Gaston Garcia, Buyer, at ggarcia3@laredoisd.org .
PROCUREMENT DIRECTOR	Hector M. Mejia 

LAREDO INDEPENDENT SCHOOL DISTRICT

RFP #17-052 Self-Insured Health Insurance

I. PURPOSE:

The Laredo Independent School District - LISD (herein after referred to as District) is soliciting Requests for Proposals (hereafter referred to as an "RFP").

II. BACKGROUND INFORMATION:

The Laredo Independent School District (LISD) was established in 1882. LISD is a district sprawling more than 13 square miles. The Laredo Independent School District is made up of 33 educational institutions: 20 elementary schools, four middle schools, and four high schools including the new Early College High School located on the campus of Texas A&M International University, the Lara Academy our alternative education campus, a Non-Traditional high school, and three magnet schools. The three magnet schools are the Vidal M. Treviño School of Communications and Fine Arts, located across the street from Nixon High School, the Dr. Dennis D. Cantu Health Science School, located at Martin High School, and the Sabas Perez School for Engineering and Technology Education, located at Cigarroa High School.

The district has a yearly average student enrollment of 24,000 and over 4,500 employees striving for academic excellence. At LISD, learning is the key to a bright and successful future. By setting high standards, the district plays a crucial role in preparing the students to meet the challenges and demands of today's high-tech and multicultural work place.

III. SUBMISSION/SCOPE SPECIFICATIONS:

Due Date: March 26, 2018 at 2:30 p.m. (CST)

Request for Proposal No: 17-052

Project Name: Self-Insured Health Insurance

Laredo ISD currently makes available to its employees a self-funded health insurance plan of medical benefits.

At this time, by means of this Request for Proposal, Laredo ISD is seeking proposals from qualified Proposers who can provide a self-insured health insurance plan, as more fully described in this RFP for a January 1, 2019 effective date.

Goals and Objectives

Laredo ISD has decided to conduct this RFP review process in order to:

1. Review these aspects of Laredo ISD's benefit programs to ensure price competitiveness, service and benefit access at optimum levels.
2. Maintain or improve the benefit levels in force, if economically feasible.
3. Improve cost minimization by investigating alternatives.
4. Assess long term alternatives for managing the employee benefits programs.

Laredo ISD may elect to award one or more categories of the Services, or parts thereof, separately and independently to Qualified Proposers. Therefore, among other things, Laredo ISD reserves the right to select Third Party Administration proposals which include preferred provider network access and related Third Party Administrative Services, the right to select a stop loss insurer independent of offers submitted with Third Party Administration proposals, the right to select a Pharmacy Benefit Manager independent of offers submitted with Third Party Administration proposals, and the right to select a COBRA Administrator independent of

offers submitted with Third Party Administration proposals. Unless otherwise expressly stated in its proposal, a Proposer agrees to accept any such partial award, if made. Each green tab in the Questionnaire file represents a service that may be offered on an independent basis.

Willingness to work with outside vendors who may provide other vital services to Laredo ISD is required. In that regard, in the event Laredo ISD awards one or more categories of the Services, or parts thereof, separately and independently, each Proposer receiving an award from Laredo ISD shall be expected to work well with the other awarded Proposers. If any Proposer believes it may have difficulty in working well with any other potential Proposer, the same should be disclosed in the response.

Any Proposer who is under common control or ownership with any other Proposer, whether or not for the same category of Services, shall disclose the same in its response. Any Proposer who is affiliated with any other Proposer, whether or not for the same category of Services, by means of a contractual or other relationship, shall disclose the same in its response.

Any person or entity responding to this RFP shall be referred to herein as a "Proposer". Any reference to "you", "your", or derivation thereof refers to any actual or potential Proposer reviewing this RFP.

Laredo ISD welcomes alternative proposals that a Proposer is able to offer and that would be of greater value than what has been requested in this RFP.

Laredo ISD reserves the right to return to the top candidates to request a final proposal based upon one or more components of the initial proposal. Laredo ISD reserves the right to negotiate certain terms and conditions relative to the contract(s) for particular awarded services (each, a "Contract").

Consultant

HUB International Insurance Services, El Paso, has been engaged to assist in preparing this RFP document, the analysis of responses and in the selection process. During the RFP process, all inquiries regarding the RFP shall only be directed in writing to the designated contact person within the Laredo ISD Purchasing department.

Proposal Specifications

Each proposer is encouraged to present proposals that are based on its unique capabilities and resources and that, at the same time, recognize Laredo ISD's specific needs.

The assumptions upon which a proposal should be based are outlined in this RFP.

Laredo ISD will accept only one proposal per Proposer. Multiple proposals from different Proposer offices or representatives will not be accepted.

Number of Copies of Proposal to be Submitted

Two (2) Hard Copies (One Original and One Copy) of the proposal should be delivered to Laredo ISD. An electronic copy of the proposal must also be submitted on a non-password protected flash drive. All electronic documents submitted should be in a searchable file format using Microsoft Word, Microsoft Excel or Adobe Acrobat Reader.

Do not make any changes to the questions or tables in this RFP. You are welcome to elaborate and offer additional information to supplement your response in separate documents.

Proposers may be requested to make a formal presentation at Laredo ISD's headquarters in Laredo, Texas. Laredo ISD reserves the right to record all presentations.

Laredo ISD may wish to conduct an on-site review and evaluation of the claims processing, offices, or facilities of one or more Proposers. It is expected that any such Proposer will provide a live demonstration of the entire scope of its operations, including (but not limited to) claims adjudication, claim inquiries, utilization review, provider auditing techniques, provider referral procedures, and internal quality assurance.

Your proposal responses should be based on the following assumptions and background information:

Effective Date
January 1, 2019

Background Information

Laredo ISD has a self-funded health insurance plan. The current agreements with the current providers will expire on 12/31/18. Laredo ISD is seeking proposals from qualified proposers to provide the requested services to administer these plans.

Currently, Laredo ISD offers four non-grandfathered medical benefit plan options. Benefit summaries and rates are provided in the materials supporting this solicitation. At this time, Laredo ISD is requesting that proposers confirm their ability to offer the current benefit plan designs, one of which is a CDHP plan with an HSA account. Proposers should also include offers to provide HSA services as well. Laredo ISD reserves the right to amend the benefit plans at any time.

Proposers are not expected to process any run out claims from the current administrator.

Medical and Prescription Drug Claims Re-pricing Requirement - IMPORTANT

If your organization intends to provide medical provider or pharmacy network access you must follow these instructions to complete and submit a response to a re-pricing exhibit for medical and pharmacy claims.

- Complete and return the provided “Use and Disclosure Agreement” to the purchasing department.
- Upon receipt of a properly executed form, the Purchasing department will provide HUB International Insurance Services your contact information and an encrypted file will be transmitted to you electronically.
- Return the completed file along with your proposal submission on a separate flash drive in a sealed envelope marked “confidential”. Laredo ISD cannot sign any non-disclosure agreements. However, if your organization requires a non-disclosure agreement, please forward it along with your signed “Use and Disclosure Agreement” to the Laredo ISD Purchasing Department and HUB International Insurance Services, who will receive and summarize the claims re-pricing data on behalf of Laredo ISD, will return review and return your executed agreement.
- The re-pricing results should not apply any deductibles or co-share amounts. Assume all claims are eligible under the benefit plan.
- Please re-price each claim, line by line, and summarize claim re-pricing amounts by hospital, physician, ancillary facility and all other claims. Itemize any claims provided that are not used in your re-pricing exhibit and provide a summary explanation as to why the claim was disallowed.

Stop Loss Re-insurance Limits

Laredo ISD will initially entertain an individual stop loss deductible for medical and prescription drugs of \$250,000 with an unlimited lifetime maximum benefit. Laredo ISD will purchase aggregate stop loss for medical and prescription drugs at 125% of expected claim levels. Aggregate stop loss offers should include monthly accommodation provisions. Please submit offers using these criteria based upon both an initial 12/12 and 15/12 basis.

Local Service

Laredo ISD’s account is currently serviced by a local agency providing customer service and enrollment support. Service to both the District and its employees is important to Laredo ISD. Laredo ISD will entertain offers that include a full time on-site customer service representative of the Medical Plan Administrator or Insurer, or if necessary, a collaborate effort between the Proposer and local representatives to service this account. The cost of providing this enhanced service support should be illustrated separately from

administrative fees proposed. Laredo ISD reserves the right to accept or decline enhanced service support offers and negotiate the services offered and fees for any enhanced service offers.

Net of Commissions

All offers are to be submitted net of agent or broker commissions. If a Proposer enlists the services of local service providers to meet the needs described in **Local Service above**, a full description of services provided, service providers and fees paid to the local service provider must be disclosed separately from any premium quoted rates. Laredo ISD reserves the right to accept or decline enhanced service support offers and negotiate the services offered and fees for any enhanced service offers.

Value Added Services

In addition to the core services requested and currently provided, Laredo ISD is interested in any additional Value Added Services that your organization may offer. You are invited to provide a description of any additional services that may meet that description, such as educational seminars, on site wellness support and initiatives, health fair involvement, et cetera.

General Services Provided

- Since Laredo ISD reserves the right to award contracts to individual Proposers, each Proposer must have the capability and willingness to work with other Proposers if necessary and as otherwise described in this RFP.
- All Proposers must be HIPAA compliant and willing to enter into a mutually agreeable Business Associates Agreement.
- All selected Proposers will need to establish links with Laredo ISD's website and provide plan documents, forms, etc. as described in Laredo ISD Questionnaire exhibit.

Rates and Fees

- Whenever possible, any rates and fees should be guaranteed for the initial term of this agreement.
- All rates and fees quoted should **exclude commission payments**. If your proposal must contain any commissions or fees paid to non-employees of your company then full disclosure of the fees paid, the recipient receiving any fees, and services provided by any non-employee of your organization must be made.
- All fees should be guaranteed on a per employee per month basis for all services.
- Administrative fees and rate-setting methodology for each year should be guaranteed for an initial term of 36 months or until December 31, 2021. Two additional 12-month time periods should be described in the event of a contract extension. Subsequently, changes in rates and fees must be provided six (6) months in advance. Fees should be guaranteed or changes in fees should be capped for each time period.
- Fees for Pharmacy Benefit Management should be quoted separately or identified as included in the base administration fee.
- Rebates from Pharmacy Benefit Managers should be illustrated separately.
- Rates for Stop Loss Reinsurance should be quoted separately.
- Fees for COBRA administration can be quoted separately or identified as included in the base administration fee.

Account Structure

Laredo ISD currently segments the population into the following categories for eligibility and claims data management: (a) Basic Plan (CDHP-HSA); (b) Low Plan; (c) High Plan, (d) State Plan.

Administration Materials

Claim and enrollment forms, provider directories, survey forms, summary plan description booklets, postage and other administrative materials to be prepared by administrator, with cost included in quoted fee

Future Employee Contributions

Laredo ISD’s reserves the right to modify employer contributions at any time in the future.

Benefit Plan (accumulator) Year

January 1 to December 31. However, Laredo ISD reserves the right to change the accumulator plan year time frame in the future.

Medical Plan Administration Performance Guarantees

Performance standards in the areas of account management, health plan development and maintenance, member service, claims processing, data reporting and analysis, and implementation are described in the worksheet that follows. The standards are a part of the required proposal and will be a part of the contract. Any deviations must be highlighted. The standards and guarantees are noted below.

The criteria and guarantees are considered to be client specific – not based upon your book of business or assigned teams or departments. If you cannot meet this requirement your response must clearly identify how you calculate your metrics.

If you are willing to establish claim target guarantees and claim discount guarantees, please explain your methodology in establishing the target and the formula for reward / penalty if the target is met / failed. Laredo ISD reserves the right to negotiate performance guarantees with any network provider upon review of offers received.

Medical Plan Performance Guarantees

1. Member Satisfaction

Guarantee	Reduction
<p>Proposer will develop and implement a mutually acceptable annual survey to evaluate member satisfaction with Proposer’s performance, the performance of medical providers, and general satisfaction with the plan design in an effort to gauge general member understanding of the health plan.</p> <p>Measurement criteria: Random sample survey designed with client approval.</p>	<p>The reduction will be \$5,000 if the 75% satisfaction or better with Proposer’s performance is not met.</p>

2. Claim Adjudication (Payment Accuracy)

Guarantee	Reduction
<p>Proposer will guarantee the claim adjudication payment process will not exceed an error rate of 3% in any given quarter.</p>	<p>The maximum reduction will be 5% of the administrative fees for any month that the standard is not met.</p>

<p>Definition: Number of correct claims payment divided by total number of payments made, expressed as a percentage.</p> <p>Measurement criteria: Random sample audit or vendor generated management reports mutually agreed to report required information.</p>	
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3. Claim Coding Accuracy

Guarantee	Reduction
<p>Proposer will guarantee the average coding accuracy will be 97.5% or higher in any given quarter.</p> <p>Definition: Coding accuracy is determined by dividing the number of correct coding entries by the total number of coding.</p> <p>Measurement criteria: Vendor's internal quality control program will be used.</p>	<p>Proposer will reduce its administrative fee by \$1,500 for each ½ % that coding accuracy drops below 97.5% for any month.</p>

4. Claim Adjudication Turnaround – Non-Investigated Claims

Guarantee	Reduction
<p>Proposer will guarantee the average claim turnaround time for non-investigated claims during the contract period will not exceed an average of 16 calendar days for 90% of processed claims.</p> <p>Definition: A non-investigated claim shall mean a complete claim received with information sufficient to allow the vendor to make a final claim determination. Proposer measures turnaround time from the claimant's viewpoint. That is, turnaround time is measured from the date the check or EOB is mailed for member payable claims or is in a ready for payment status for providers. Weekends or holidays are included in the turnaround time.</p> <p>Measurement criteria: A computer generated turnaround time report for specific claims will be provided on a monthly basis.</p>	<p>If the cumulative quarterly turnaround time exceeds an average of 16 calendar days, vendor will reduce its administrative fee by \$7500 for each day, to a maximum of \$5,000 per month.</p>

5. Claim Dollar Payment Accuracy

Guarantee	Reduction
<p>Proposer will guarantee the average claim payment accuracy, as measured by the dollar amount of claims paid accurately divided by the total dollars, will be 98% or higher in any given quarter.</p> <p>Definition: Accuracy shall be determined by dividing the total dollar amounts overpaid, as well as underpaid, by the sum of amounts actually paid. This is the error rate that then is subtracted from 100% to determine the claims accuracy level.</p> <p>Measurement criteria: Vendor's internal quality control program results for assigned processors will be used.</p>	<p>Proposer will reduce its administrative fee by \$1,500 for each 1% that coding accuracy drops below 98% up to a maximum reduction of \$5,000 for a given month.</p>

6. Data Reporting Delivery

Guarantee	Reduction
<p>Standard reports will be delivered within 20 calendar days of the previous month</p>	<p>The reduction will be \$1,500.</p>

7. Customer Service

Guarantee	Reduction
<p><u>Telephone Service:</u></p> <p>80% of calls answered within 60 seconds.</p> <p>Less than 5% of calls abandoned.</p>	<p>Proposer will reduce administrative fees by \$750 for each 5% that the standard is not met up to a maximum of \$3,000 in any given month.</p>

REQUEST FOR PROPOSAL (RFP) SUBMITTAL INSTRUCTIONS

Vendors will be required to submit one (1) original and one copy of their Proposal statement, as well as an electronic copy of their proposal on a flash drive.. Responses must be typewritten on the company's letterhead and placed in three ring binders with tabs as follows:

Tab I – Vendor will:

- a. provide price proposal.

Tab II – Required documents:

- a. Vendor must submit vendor packet located on District website at: <http://www.laredoisd.org/cms/One.aspx?portalId=328992&pageId=927405>. This is the only vendor packet that will be accepted with the Required Documents under Tab 2; failure to do so will result in disqualification of the proposal.
- b. Vendor must enclose Submittal Checklist Form on page 4 of this RFP.

INSURANCE REQUIREMENT

- a. No later than 10 business days after contract award, vendor must submit an insurance certificate in accordance with #14 of the General Conditions of this RFP.

OTHER INFORMATION

- a. Proposals received via phone, facsimile, email or other medium will not be accepted or considered.
- b. Proposals must be received and date stamped on or before the time and date stated above.
- c. The District reserves the right to reject any or all Proposals received and to award a contract only upon availability of funding.

ESTIMATED TIME SCHEDULE

- a. 1st advertisement February 24, 2018;
- b. 2nd advertisement February 25, 2018;
- c. Deadline for RFP Questions March 8, 2018
- d. RFP deadline on March 26, 2018@ 2:30 p.m. (Central Standard Time);
- e. Evaluation committee recommendation presented at Business & Support Services Committee Meeting on May 10, 2018;
- f. Recommendation presented for Board approval on May 17, 2018.

**LAREDO INDEPENDENT SCHOOL DISTRICT
1702 Houston Street, Laredo, Texas 78040**

Submittal Checklist

Proposers are encouraged to complete and return this checklist and the required documents as a part of their response submittal. Failure to return any of the required documents may subject your proposal to disqualification. Indicate your responses under column "Proposer Use Only."

RFP #17-052 Self-Insured Health Insurance Vendor: _____

	Item Description	Proposer Use Only			Laredo ISD Use Only		
		Yes	No	N/a	Yes	No	N/a
1.	Is all information in Tab 1 included with your response?						
2.	Is all information in Tab 2 included with your response?						

ACKNOWLEDGMENT OF RECEIPT OF ADDENDUM (If applicable)

Addendum No.: _____ Date: _____

Addendum No.: _____ Date: _____

Signature of Authorized Representative

Date

Print Name and Title

Organization Name

For District Procurement Department Use Only

Vendor: _____

The purpose of this preliminary evaluation is to determine whether this Proposal Statement will proceed to the next step for consideration.

[____] **YES Proceed for consideration** Date: _____

[____] **NO Decline for consideration** Date: _____

Reason(s) for declining: () Missed timeline (Date and time received: _____)

Other: _____

Procurement Director Initials: _____ **Date:** _____

(* Director review and initials required when declined for other reasons.)

Date Notice of Non-Award mailed to Proposer: ____ **Buyer's Initials:** ____

IV. NEGOTIATION PROCEDURES

LISD reserves the right to negotiate all elements which comprise the respondent’s offer to ensure the best possible consideration and to reject any and all responses. The final funding amount and the provision of the contract will be determined through negotiations between LISD staff and the successful respondent. Please do not provide any services until you receive an approved purchase order. As per our policy, LISD shall have no obligation to pay for any services provided by you unless a purchase order is properly drawn and issued.

V. GENERAL CONDITIONS

1. DETERMINING AWARD/EVALUATION OF PROPOSAL STATEMENT

In conformance with Texas Education Code 44.031 in determining to whom to award a contract, the District will consider:

FACTORS		WEIGHTS
1.	Purchase Price	55 points
2.	Reputation of the vendor and of the vendor’s goods or services.	10 points
3.	Quality of the vendor’s goods or services	10 points
4.	Extent to which the goods or services meet the District’s needs	10 points
5.	Vendor’s past relationship with the District	5 points
6.	Impact on the ability of the District to comply with laws and rules relating to historically underutilized businesses	N/A
7.	Total long-term cost to the District to acquire the vendor’s goods or services	5 points
8.	For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor’s ultimate parent company or majority owner: <ul style="list-style-type: none"> 1. Has its principal place of business in this state, or 2. Employs at least 500 persons in this state 	Yes/No Yes/No
9.	Any other relevant factor(s) specifically listed in these specifications: Customer Service	5 points
Total		100 points

Points for pricing services will be calculated as follows:

- a. Lowest price bid will receive the maximum points for price.
- b. All other vendors will be allotted points based on how close they are to the lowest price.
- c. This process will continue until all proposals are scored for price.
- d. The formula is: $(\text{Low Proposed Price} / \text{Proposed Price}) \times \text{Assigned Points} = \text{Points Awarded}$

Example:

$(\text{Lowest Price} / 2^{\text{nd}} \text{ Lowest Price}) \times \text{Assigned Points} = \text{Points Awarded}$

$(\text{Lowest Price} / 3^{\text{rd}} \text{ Lowest Price}) \times \text{Assigned Points} = \text{Points Awarded}$

The Evaluation Committee will review all proposals and reserves the right to create a short list of firms based on factors listed above. Interviews may be scheduled with the short-listed firms. LISD reserves the right to use the same qualitative weight factors for scoring interviews as listed above OR adopt new factors. If adopting new factors, such factors will be made public to the short-listed firms by addendum prior to the scheduled interviews.

2. SUBMISSION, MODIFICATION, AND WITHDRAWAL OF RFP

- a. Submission - All Proposal Statements, whether delivered by hand or mail, are due in sealed envelopes endorsed with **RFP #17-052 no later than March 26, 2018 at 2:30 p.m.** central time at the District's Procurement Department located at 1702 Houston Street, Room 101, Laredo, Texas 78040. Responses sent by overnight mail will have Proposal Statement number and name written on the delivery ticket. Proposal Statement must be signed by an authorized agent of the vendors that has authority to bind the vendors contractually. Please submit one (1) original of all required documents as listed on the Submittal Checklist. Proposal Statements may not be faxed or e-mailed. Proposal Statement/Bids/Proposals delivered to the LISD central mail facilities or to LISD locations other than 1702 Houston Street, Room 101, will not be considered "received" by the Procurement Office until they arrive at the Procurement Office, Room 101. LISD will not be responsible for delays in delivery resulting from need to transport Proposal Statement/ Bid/ Proposals from another location or error or delay on the part of the carrier.
- b. Modification - No response may be changed, amended, or modified, after the same has been submitted or filed in response to this solicitation, except for obvious errors in extension. These modifications must be made by written or electronic notice in accordance with original submission terms.
- c. Withdrawal/Resubmission - A Proposal Statement may be withdrawn and resubmitted by written notice received by the District's Procurement Department prior to the exact hour and date specified on the Proposal Statement. A Proposal Statement may also be withdrawn in person by a vendor or an authorized representative, provided his/her identity is made known and he/she signs a receipt for the Proposal Statement, but only if the withdrawal is made prior to the exact hour and date set for the receipt of Proposal Statements. Resubmissions may be done in accordance with the original submission terms in paragraph a above.
- d. For the purposes of this RFP the words bid and Proposal Statement will be used in the same manner. They will both refer to a Request for Proposal Statement procurement document.

3. LATE PROPOSAL STATEMENT

All bids delivered will be stamped with the date and time as proof they were received. For the purposes of this Proposal Statement, the date and time on the "Dymo Datemark Stamper" located at the Procurement Department will be the official time. If a quote is received after the stated date and time, it will still be stamped, but it will be considered late and not eligible for consideration. These proposals will be considered late and returned unopened. If a return address is not provided on the envelope, a late proposal will be opened for identification purposes only and returned to the address provided within.

4. TERM OF CONTRACT

Upon satisfactory completion of the services, not to exceed 12 months from the date the contract is fully executed.

5. AWARD DATE

It is anticipated that a recommendation for this bid will be submitted at the next regularly scheduled Board of Trustees meeting taking into consideration internal timelines for submission.

6. ALL OR SOME PROPOSAL STATEMENTS

Proposers are not required to submit pricing for all services/projects in this proposal. The District reserves the right to award to more than one vendor.

7. OPENING OF PROPOSAL STATEMENT

Proposal Statements will be publicly opened at the Procurement Department immediately after date and time Proposal Statements are due. Proposals will be opened at **3:00 p.m. on March 26, 2018. Only names of the proposers will be read aloud to the public.**

8. APPLICABILITY

These conditions are applicable and form a part of the contract document and are part of the terms and conditions of each purchase order (standard purchase terms and conditions) issued as a result of this Proposal Statement. The selected proposer will receive a Notice of Award with a contract that must be signed by the awarded proposer in accordance with specified timelines. If proposer has their own contract they are to provide a copy of that contract for evaluation and determination by the District legal counsel. Any deviations to these general conditions and/or specifications will be conspicuously noted in writing by the Proposer and will be included with the Proposal Statement.

9. RESPONDENT'S ACCEPTANCE OF EVALUATION METHODOLOGY

Submission of a Proposal Statement indicates respondent's acceptance of the evaluation criteria and respondent's recognition that some subjective judgments must be made by the District during the evaluations.

10. PROPOSAL OF PROPOSER

The District may make investigations deemed necessary to determine the Proposals and/or ability of the respondent to perform in accordance with the bid terms and conditions specified herein. The bidder will furnish to the District all such information as the District may request. The District reserves the right to reject any bid if the bidder fails to satisfy the District that such bidder is properly qualified to carry out the obligations of the contract.

11. DISQUALIFICATION OF PROPOSER – Reasons that will disqualify

Proposers *will* be disqualified and their responses not considered for any of the following reasons:

- a. Failure to submit Proposal Statement by required date and time
- b. Failure to submit required documents as specified on Submittal Checklist
- c. Failure to abide by Non-Collusion Statement as specified below
- d. Any pertinent information coming to the attention of the District resulting in material legal matters

12. DISQUALIFICATION OF PROPOSER - Reasons that *may* disqualify

Proposers *may* be disqualified and their responses not considered for any of the following reasons:

- a. Reason for believing collusion exists among bidders
- b. Reasonable grounds for believing that any bidders have interest in more than one Proposal Statement or bid wherein there may be a conflict of interest
- c. The bidder being interested in any litigation against the Board
- d. The bidder being in arrears on any existing contract or having defaulted on a previous contract
- e. Failure to demonstrate competency as revealed by any required financial statement, experience or equipment questionnaire, or omission or falsification of required Proposal Statement submittals on this or prior procurements, etc.
- f. Failure to demonstrate financial ability to fund the projects on an interim basis as revealed by a financial statement, financial records, bank references, etc.
- g. Current or uncompleted work, which, in the judgment of the District, will prevent or hinder the timely completion of additional work, if awarded
- h. Failure to comply with applicable laws relevant to Public Works contracts
- i. Other information or circumstances which establish reasonable grounds for belief that the bidder or proposer is not a "responsible bidder" or "responsible proposer"
- j. Proposer that is indebted to the school district

13. MODIFICATION OR WITHDRAWAL BY SUCCESSFUL PROPOSER

Modifications or withdrawal of a bid by the successful bidder will be accepted only if the change is in the best interest of the District and executed in writing.

14. INSURANCE REQUIREMENTS

No later than 10 days after contracted is awarded, vendors must submit insurance certificate in accordance with the general conditions. Proposer may be disqualified for not providing this required document.

A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Texas Department of Insurance (TDI), or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project is required for the duration of the project.

Duration of the project includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.

If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.

The contractor will retain all required certificates of coverage for the duration of the project and for one year thereafter.

The following are the types of coverage and acceptable limits that will be maintained:

Worker's Compensation Insurance and Employer's Liability	
Part One—Worker's Compensation	Statutory Limits
State	Texas
Part Two—Employer's Liability	<u>Annual Limits Per Insured</u>
Bodily Injury by Accident	\$1,000,000 Each Accident
Bodily Injury by Disease	\$1,000,000 Each Employee
Bodily Injury by Disease	\$1,000,000 Policy Limit
Limit Notes: This policy will cover operations of the LISD project for contractors/subcontractors of all tiers performing work in connection with project site(s).	
<u>Commercial General Liability</u>	<u>Annual Limits of Liability</u>
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury Each Occurrence	\$1,000,000
Each Occurrence Limit	\$1,000,000
Medical Expense (any one person)	\$5,000

15. VENDOR BID PROTEST/APPEAL

The vendors should submit a written protest detailing concerns to the procurement department. If any of the information is omitted or incomplete, the Procurement Director will immediately notify the protester in writing. The missing information must then be submitted to the Procurement Director within two business days, if the protest is to be further considered.

The Procurement Director may give notice of the protest and its basis to other persons, including other bidders involved in or affected by the protest, and such other persons may be given an opportunity to submit their views and relevant information.

Upon receipt of a written protest, the Procurement Director will convene a dispute panel consisting of the following:

- a. Contract Manager of product or service.

- b. Two District Administrators that do not report to the Contract Manager or his supervisor.
- c. Chief Financial Officer.

The panel will issue a decision in writing within ten business days of receiving the protest. If the CFO participated in the evaluation committee or has a conflict of interest in the matter, the Superintendent will designate an alternate individual to participate in the dispute panel. A deadline for appealing the decision will be provided in the notice. A copy of the decision will be mailed (by certified mail, return receipt requested) or otherwise promptly furnished to the protester and any other interested parties. The decision will be considered final and conclusive unless a written appeal is delivered to the Superintendent within three business days from receipt of the decision.

If appealed to the Superintendent, he/she may base his/her decision on documents already submitted as part of the protest process and/or may request additional documentation. The subsequent decision made by the Superintendent or his designee will be issued within seven business days and will be final and conclusive.

When a protest has been timely filed with the Procurement Director before contract award, the District will not make an award until the appeals process is concluded. However, if the District determines that the items or equipment are urgently required, and/or delayed delivery will hinder student performance/safety, and/or failure to make prompt award will otherwise cause undue harm to the interest of the District, will grant a full or partial award while the protest is being processed.

Failure to comply with these protest procedures will render protest untimely and/or inadequate and will result in rejection by the District. Compliance with these protest procedures will be a condition precedent to commencement of litigation on the protest issues.

The timelines outlined above may be extended by the District, if needed. Bidders must submit a written request to the District if an extension is desired. The District reserves the right to accept or reject requests for extension of the protest period.

16. WARRANTY

Warranty conditions for all supplies and/or equipment will be considered manufacturer's minimum standard warranty unless otherwise agreed to in writing. The District does not waive or limit any warranties, either expressed or implied, as to any services, products or goods made the subject of this bid. Failure to provide such information may be cause for rejection of the bid.

17. EXPRESSED WARRANTIES

Implies wear of merchantability and implied warranty of fittings for a particular purpose will apply to all purchases initiated by this document. The bidder will assume all liabilities incurred within the scope of consequential damages and incidental exposures as set forth in the Uniform Commercial Code (as adopted in the State of Texas) which result from either delivery or use of product which does not meet specifications within this document. The warranty conditions as stated herein will be approximate and will not be nullified, voided or altered in any way by the inclusion of the bidder preprinted forms with this document.

18. F.O.B DESTINATION

Bids/Proposal Statements must be submitted on a F.O.B. Destination basis with freight prepaid. Freight is to be assumed by the bidder. No additional charges will be accepted. Possessions of goods will not pass to the District until received at the District's receiving dock.

19. DELIVERY

Delivery personnel must provide a current, valid company picture identification card when making deliveries to the District. Deliveries required in this Proposal Statement will be freight prepaid F.O.B. destination and bid price will include all freight and delivery charges. No delivery, no sale.

20. DISTRICT RESERVES THE RIGHT OF THE FOLLOWING:

- a. Right of Award - The District reserves the right to award as is in its best interest and may therefore chose items from different vendors. The District may negotiate with the top three proposers. A written Notice of Award letter will be sent to the awarded vendors(s). The District may either enter into a contract with the vendors(s) or the award letter followed by a purchase order to the successful bidder(s) may result in a binding contract without further action by either part.
- b. Right to Reject Proposal Statements - The District reserves the right to reject any and all Proposal Statements, waive all irregularities, and to choose the most advantageous price for each item.
- c. Right to Hold Proposal Statements - The District reserves the right to hold Proposal Statements for 60 days before awarding the contract.
- d. Right to Amend RFP - The District reserves the right to amend the RFP prior to bid opening date. The District may also consider and accept an alternate Proposal Statement as provided herein when most advantageous to District.
- e. Right of Negotiations – The District reserves the right to conduct discussions and negotiate final scope and price.

21. LIST PRICE OR DISCOUNT PERCENT

For list price Proposal Statements, the price will be fixed for the entire contract period.

22. AVAILABILITY OF FUNDS

All awards are subject to approval upon availability of funds. In the event funds do not become available, the contract may be terminated with a written notice.

23. SALES TAX EXEMPTION

The District qualifies for exemption of the Texas limited sales, exercise and use sales tax will not be charged on these purchases.

24. TERMINATION BY DISTRICT

For Cause - The District will have the right to cancel or default all or part of the undelivered portion of the order if the contractor breaches any of the terms hereof, including warranties, or if the contractor becomes insolvent or commits acts of bankruptcy. Other factors will include service performance.

Without Cause - The District, in accordance with this provision, may terminate the performance under this order in whole or in part. Termination hereunder will be effected by the delivery to the contractor or a “Notice of Termination” specifying the extent to which performance of work under the order in terminated and the date upon which such termination becomes effective.

25. CERTIFICATION OF PAYMENT

Payment by the District will be made in accordance with the terms of the contract and purchase order. No assignment of payment will be allowed.

26. UNIFORM COMMERCIAL CODE

All contracts and agreements between vendors and the District will strictly adhere to the statutes as set forth in the Uniform Commercial Codes as last amended by the American Law Institute and the National Conference of Commissioners on Uniform State Law.

27. FELONY CONVICTION NOTIFICATION

A person or business entity that enters into a contract with the District will notify the District if the person or an owner or operator of the business entity has been convicted of a felony. Such notice will include a general description of the conduct resulting in the conviction. Failure to provide such information may result in termination of the contract. Vendors will complete and submit the “Felony Conviction Notification” included with this packet in the Required Forms.

28. CONFLICT OF INTEREST

No member or spouse of the board, president, superintendent, business manager or any other person holding any position or employment under said board, will be directly or indirectly interested in an purchase, sale, business, work or contract, the expense, price or consideration of which is paid from school funds of said District, nor will any such officer or employee purchase any warrants or claims against said board of District, or any interest herein, or become surety for any person or persons having a contract or any kind of business with said board, for the performance of which security may be required. Anyone violating this provision will be removed from office, or be discharged from services by the majority of the board. No member of said board will vote upon any question in which such member has an interest, distinct and apart from that of the citizens at large, and any member will disclose such interest and refrain from voting. All interested parties will comply with Board Policy BBFA (LEGAL). [http://pol.tasb.org/Policy/download/1208?filename=BBFA\(LEGAL\).pdf](http://pol.tasb.org/Policy/download/1208?filename=BBFA(LEGAL).pdf). Conflict of Interest Disclosures are found in the Vendor packet. Please refer to The Texas Ethics Commission website at <http://www.ethics.state.tx.us/> for more information.

29. GENERAL ETHICAL STANDARDS

Gratuities - It is a breach of ethics to offer, give or agree to give any employee or former employee of a school District, or for any employee or former employee of a school District to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or Proposal Statement therefore pending before this government. Acceptance of gratuities may be construed as a criminal offense.

Kickbacks - It is a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract of a school District, or any person associated therewith, as an inducement for the award of a subcontract or order.

The prohibition against gratuities and kickbacks prescribed above are conspicuously set forth in every District's contract and solicitation in accordance with the Texas Education Agency's Financial Accountability System Resource Guide Update 14.0.

30. NON-COLLUSION STATEMENT

The proposer affirms that he/she is duly authorized to execute a contract, that this company, corporation, firm, partnership or individual has not prepared this Proposal Statement in collusion with any other Proposer, and that the contents of this Proposal Statement as to prices, terms or conditions of said Proposal Statement have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this Proposal Statement. The proposer also affirms that they have not given, offered to give, do not intend to give at any time hereinafter any economic opportunity, future employment, gift, loan, gratuity, specified discount, trip, favor, or service to a private service in connection with this contract. Proposer further affirms that after the opening of this Proposal Statement, proposer (or any representative of proposer's company) will not discuss the contents of this Proposal Statement with any person affiliated with District, other than the Procurement Director or its Designee, prior to the awarding of this bid/Proposal Statement. Failure to observe this procedure will cause the Proposal Statement to be rejected.

31. INDEMNIFICATION PROVISION

To the extent allowed by law, the written contract executed between the successful respondent and District will contain an indemnification provision in which the successful respondent agrees to indemnify and hold the District harmless from any and all loss, expense, cost or liability arising from any claim or cause of

action for loss or damage rising from or relating to respondent's performance of services or goods made the subject of this bid. District does not agree to indemnify the successful respondent.

32. VENUE

It is understood and agreed by both the successful bidder and the District that venue for any litigation from this contract will lie in Webb County, Texas.

33. PROPOSAL STATEMENT INTERPRETATION

No interpretation to the meaning of the "Invitation to Bid" or other documents will be given orally. Every request will be in writing, addressed to the Procurement Director/Buyers, and must be received at least five days prior to the date fixed for the opening of the bids. Any and all such interpretations and supplemental instructions will be in the form of written addenda to the "Invitation to Bid", which if issued, will be emailed to all known prospective bidders and posted on the LISD Procurement website. Failure of any bidder to receive any such addenda or interpretations will not relieve such bidder from any obligation under his bid as submitted. All addenda so issued will become part of the contract document.

34. RIGHT TO AUDIT CLAUSE

The District upon written notice will have the right to audit all documents relating to all projects. Records subject to audit will include, but not limited to records which may have a bearing on matters of interest to the District in connection with the Vendors work for the District and will be open to inspection and subject to audit and/or reproduction by the District's agents or its authorized representative to the extent necessary to adequately permit evaluation and verification of (a) Vendors compliance with contract requirements (b) compliance with District procurement policies and procedures (c) compliance with provisions for computing billings to the District and (d) any other matters related to the contract between the District and the Vendor. Additionally, in accordance with TEC 44.031 (c) the state auditor may audit purchases of goods or services by the District.

35. NO ARBITRATION CLAUSE

There will be no agreement for binding arbitration in any written contract between District and Respondent relating to a dispute involving the services, products or goods made the subject of the bid.

36. DEFINITION

The words "bids, competitive sealed Proposal Statements, quotes" and their derivatives may be used interchangeably in these terms and conditions. These terms and conditions are applicable on all bids, request for Proposal Statements, quotes, competitive sealed Proposal Statements, etc., to which they are attached.

37. NO LIMITATION OF LIABILITY REMEDIES OR DAMAGES

District will not contractually agree to limit in any manner either Respondent's potential liability or District potential remedies or damages relating to or arising from any potential dispute between the parties or relating to the services, products or goods made the subject of this Proposal Statement.

38. OTHER INFORMATION

For additional information, contact Dr. Sylvia G. Rios, Superintendent of Schools, at (956) 273-1400.

39. CRIMINAL HISTORY AND FINGERPRINTING REQUIREMENTS

A vendor who has or will have (or subcontracts with an individual(s) who has or will have) direct contact with students are required to provide criminal background checks for all such individuals. Vendors are required to provide certification that a criminal background check has been performed for those employees, and are responsible for the cost of the criminal background check. School contractors hired 01/01/2008 or after who meet the following criteria, must be fingerprinted:

- a. A contractor (entity or individual) that provides services to a school district and has direct contact with students, must be fingerprinted before beginning work.

- b. The contractor shall certify to the school district that it is compliance with the fingerprinting laws. The school district may review the background check results for contracted employees in the DPS FACT Clearinghouse as provided by Section 411.0845, of the Government Code.
- c. Additionally, a subcontractor must certify to the school district and to the contracting entity that the subcontractor has fingerprinted all individuals providing services to the district under the terms of the contract.
- d. The school district may request additional information from a contractor in order to verify that the fingerprinting has been completed.

40. 1295 TEXAS ETHICS COMMISSION

- a. New disclosure requirements were written into the law during the 2015 legislative session. The new law is codified at Texas Government Code § 2252.908, which was enacted by H.B. 1295, and requires, as of January 1, 2016, that vendors file a disclosure form electronically with the Texas Ethics Commission identifying the vendor's interested parties to certain contracts with Texas school districts. When applicable, the process must be completed prior to contract execution or purchase order issuance.
- b. Please register and complete the form for our transaction on the Texas Ethics Commission's website. Once completed, you will need to print it out, sign it before a notary, and submit it to the District. Company must complete form using the number of the RFP, which pertains to the project your company is submitting. The District's identification number for this contract is [**RFP #17-052 Self-Insured Health Insurance**].
- c. Laredo Independent School District is identified as an "OTHER GOVERNMENTAL ENTITY", not a state agency. Instructional videos and an FAQ about how to register and file a report is available at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm