

**STATE OF CONNECTICUT**

**OFFICE OF POLICY AND MANAGEMENT**

**THE CONNECTICUT HEALTH INSURANCE  
EXCHANGE**

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**REQUEST FOR PROPOSALS (RFP)**  
**BY**  
**THE CONNECTICUT HEALTH INSURANCE EXCHANGE**  
**Representation of the Connecticut Health Insurance Exchange in drafting bylaws, procedures,**  
**contracts, and leases.**

**SCOPE OF SERVICES**

**Background**

In March, 2010 health care reform legislation, the Patient Protection and Affordable Care Act (ACA), was signed into law with a number of broad goals, including increasing access to affordable health coverage and reducing the number of uninsured. The Legislation provides for a Health Insurance Exchange (Exchange) to establish a competitive marketplace for health insurance purchasing that will offer a choice of health plans, establish common rules regarding the offering and pricing of insurance, and provide information to help consumers better understand the options available to them. The Exchange will be utilized as an entry point to coverage for people at all income levels--those that are eligible for tax credits to offset premium and cost sharing amounts; those eligible for Medicaid or the Children's Health Insurance Program (CHIP); and individuals not eligible for a subsidy who want to purchase coverage through the Exchange.

Connecticut was awarded an Exchange planning grant in September 2010 by the federal government funded through the ACA. The objective of the planning grant is to provide the modeling and analysis necessary for policy development and implementation strategy formation.

In Connecticut, approximately 10% of the total state population (335,000 individuals) does not have health insurance. With federal health care reform in 2014, most of Connecticut's uninsured will become eligible for Medicaid or for subsidized participation in the Exchange. The Connecticut Health Insurance Exchange was created by Public Act 11-53, and is in the process of being organized and constituted. The Exchange is a quasi-public entity that, while it is being organized, will receive staff support from the Office of Policy and Management (OPM).

In August 2011, Connecticut was awarded a second federal grant to further its planning, development and design of an Exchange. This funding will enable Connecticut to focus on three project areas: administrative structure, business operations and customer support.

**Objective**

Pursuant to P.A. 11-53, the Exchange invites proposals from appropriately qualified firms to provide legal counsel to the Exchange in drafting bylaws, procedures, contracts and leases.

Duties of counsel, as further set forth in Section 1 of Appendix A to this RFP, will include advice, counsel and assistance regarding the development and drafting of bylaws and procedures for the Exchange, development, drafting and negotiation of employment contracts for key personnel for the Exchange, drafting and negotiation of leases for office space for the Exchange, and other legal services and advice to assist OPM in assisting the Exchange in its organization and initial business.

The maximum amount payable under this contract will not exceed \$153,500 and the length

of this contract will not exceed one year.

Proposals must be received by OPM by 4:00 p.m., local time, on October 19, 2011. The Exchange may invite some firms to attend an interview shortly thereafter.

An evaluation committee will evaluate the proposals in accordance with the selection criteria set forth in this RFP, which explains other terms and requirements. The selected firm must enter into a contract with the Exchange, substantially in the form of the draft contract set out in Appendix A. The Exchange encourages minority, women-owned and disadvantaged businesses to apply.

All communication with the Exchange or OPM must be undertaken only as specified in this RFP.

## SELECTION CRITERIA

The evaluation committee will evaluate firms on the basis of their written responses to this RFP, additional written information that may be requested by the Exchange or OPM acting on its behalf and, possibly, oral interviews. The goal of the evaluation will be to select the firm which provides the best combination of qualifications, relevant positive experience and costs. The evaluation committee will also consider the following non-exclusive factors in making that determination:

- Depth and quality of experience in representation of Connecticut quasi-public entities or other reasonably comparable experience.
- Depth and quality of experience in current and recent legal developments in state and federal healthcare and health insurance law.
- Depth and quality of experience in bringing comparable matters to a cost-effective conclusion.
- Familiarity with the provisions of P.A. 11-53 and other relevant legislation.
- Qualifications of personnel, including the experience and availability of the lead attorney(s) and the breadth and depth of experience of other partners, associates and other professionals available to provide the requested services to the State.
- Demonstrated ability to work closely and cooperatively with clients in meetings and negotiation sessions.
- Results of reference checking.
- Reasonableness of rates proposed, and demonstrated efficiency in providing sound advice and counsel without unnecessary or excessive charges. Among substantially equally qualified proposers, rates and efficiency will weigh heavily in making a selection.
- Equal employment opportunity record as evidenced by the composition of firm personnel and the firm's affirmative action and equal employment opportunity policies and practices.
- Record of compliance with all applicable ethical rules and rules of professional conduct.
- The proposing firm will not be considered to have an irreconcilable conflict of interest because the firm or attorneys associated with the firm have in the past brought or are currently bringing litigation against the State of Connecticut, whether in court, mediation or arbitration, so long as that litigation does not concern the firm's involvement in matters related to and adverse to OPM or the Exchange, or related to any of the described issues. All potential conflicts with the State of Connecticut must be fully described and discussed in the proposal.

## INSTRUCTIONS TO PROPOSERS

### I. Proposal Schedule

Release of RFP:	September 26, 2011
Questions due by:	October 5, 2011
Responses posted by:	October 13, 2011
<b>Proposals due:</b>	<b>October 19, 2011</b>

From the date the OPM issues this RFP until the date that it awards the Contract to the successful proposer, interested parties should not contact any employee of the State of Connecticut for additional information concerning this RFP, except in writing directed only to **amy.tibor@ct.gov**. Interested parties should submit questions no later than October 5, 2011. Answers will be posted by October 13, 2011. Late questions may not receive answers. The answer to questions will be provided only in the form of one or more addenda to this RFP, and post them on its website, [www.ct.gov/opm/exchangegrant](http://www.ct.gov/opm/exchangegrant) by clicking on the Exchange Administrative Structure Request for Proposal link. Proposers have the responsibility to review that location for any addenda to this RFP.

For technical questions only, concerning issues or problems with access to or downloading of this RFP and associated information from the website, proposers may contact **amy.tibor@ct.gov**.

### II. Sealed Proposals

Proposers must submit an original and eight copies of their proposals in a SEALED envelope or carton, clearly marked with the RFP # as listed, the date it is due, and the name and address of the firm. **Proposers may send the proposal by courier or overnight delivery service or deliver it in person to the address below, arriving no later than October 19, 2011, at 4:00 p.m. local time. Because of certain delivery issues, proposals sent by U.S. Postal Service must arrive before 4:00 p.m. on the day prior to the due date.** Proposals will not be publicly opened on the due date. Proposals received after that time will not be accepted. Postmark dates will not be considered as the basis for meeting any submission deadline. All proposals and other communications with the State regarding this RFP must be submitted in writing in sealed envelopes or cartons which clearly identify this RFP. Any material received that does not conform to this provision will be opened as general mail, which may not ensure the proposer's intent or that the materials arrive timely. All proposals shall be submitted to:

State of Connecticut  
Office of Policy and Management  
Attn: Amy Tibor  
450 Capitol Avenue, MS #52LTC  
Hartford, CT 06106

### **III. Submission of Proposals**

- A. To be considered, all submissions must include all of the following:
1. Responses to the questions asked;
  2. All information and completed forms attached to this RFP;
  3. A statement affirming specifically all of the representations and warranties set forth in Sections **XV**. (Independent Price Determinations) and **XVI**. (Offer of Gratuities).
  4. The following completed forms. These forms are redundant in certain areas, but since each form satisfies a solicitation/contracting requirement of the State, the redundancy cannot be avoided at this time:
    - a. OPM Ethics Form 1 – Gift and Campaign Contribution Certification, attached as Appendix B.
    - b. Agency Vendor Form (SP-26NB), attached as Appendix C;
    - c. W-9 Form, available at <http://www.irs.gov/pub/irs-pdf/fw9.pdf>;
    - d. CHRO Employment Information Form, attached as Appendix D;
    - e. OPM Ethics Form 5 – Consulting Agreement Affidavit, attached as Appendix E. Selected firms must also submit an updated Form 5 together with their delivery of the executed Contract, which Form 5 must be dated contemporaneously with the date that the firm executes the Contract.
    - f. The appropriate Nondiscrimination Certification from those attached as Appendix F.
  5. Eight paper copies of all required or supporting documents, and eight copies of a CD-ROM containing all documents in a format compatible with Microsoft Word 2007 and affording the user the capability of searching its contents, except that required or necessary forms not conveniently available in Word, and signature pages, may be provided in PDF format.
- B. Concise answers are encouraged. Responses should be prepared on 8 ½ x 11 inch paper using at least 12 point type with standard margins.
- C. The submission of proposals shall constitute, without any further act required of the proposers or the Exchange, acceptance of the requirements, administrative stipulations and all of the terms and conditions of this RFP. Proposals must reflect compliance with such requirements. Failure of the proposal to so comply may result in the Exchange's rejection of the proposal. The Exchange will reject any proposal that deviates materially from the specifications, terms or conditions of this RFP. Proposers submitting proposals with any minor or immaterial deviations must identify and fully justify such deviations in order for the Exchange to consider their proposal.
- D. No additions or changes to any proposal will be allowed after the proposal due date, unless the Exchange specifically requests such modification. The Exchange may, at its option, seek proposer retraction and/or clarification of any discrepancy or contradiction found during the review of proposals.



**IV. Information Required in the Proposal**

1. Name the primary individuals who would work with the State, and explain their experience, relevant background and anticipated duties. Include brief resumes for each.
2. Explain the firm's qualifications in light of the stated Selection Criteria detailed above.
3. Disclose any past or present assignments, relationships or other employment that your firm or any employee of your firm has or has had that may create a conflict of interest or the appearance of a conflict of interest in serving as counsel for the State in this matter.
4. If you find any term or provision of the proposed draft contract in Appendix A unacceptable, identify the term, explain why it is unacceptable, and state whether failure to modify this term would result in your firm's failure to execute a contract in this matter.
5. Discuss any pending complaints or investigations, or any made or concluded within the past five years, to or by any regulatory body or court regarding the conduct of your firm or its predecessors, or any of its present or former members, employees and associates.
6. Include a detailed and specific fee proposal using Appendix I. You must include a fee proposal with specific hourly rates for each category of person who will work on the assignment (excluding clerical staff, whose time may not be billed).
7. Provide names and contact information of three client references for whom you have performed services reasonably comparable to those sought in this RFP.

**V. Conformity and Completeness of Proposals**

To be considered acceptable, proposals must be complete and conform to all material RFP instructions and conditions. The Exchange, in its sole discretion, may reject in whole or in part any proposal if in its judgment the best interests of the State will be served.

**VI. Stability of Proposed Fees**

Any fee proposals must be valid for the entire duration of the Contract. The total cost of this contract should not exceed \$153,500 and the duration of the contract will not exceed one year. If any proposer feels that a different maximum amount is appropriate, it should so state, with full explanation, in its proposal.

**VII. Amendment or Cancellation of this RFP**

The Exchange, acting by and through OPM, reserves the right to cancel, amend, modify or otherwise change this RFP at any time if it deems it to be in the best interest of the State to do so.

**VIII. Presentation of Supporting Evidence**

Proposers must be prepared to provide evidence of experience, performance, ability, financial resources or other items as the Exchange deems to be necessary or appropriate concerning the performance capabilities represented in their proposals.

**IX. Misrepresentation or Default**

The Exchange may reject the proposal and void any award resulting from this RFP to a firm which makes any material misrepresentation in its proposal or other submittal in connection with this RFP.

**X. Errors**

The Exchange reserves the right to correct clerical or administrative errors that may be made during the evaluation of proposals or during the negotiation of the contract and to change the Contract award accordingly. In addition, the Exchange reserves the right to re-evaluate proposals and the award of the Contract in light of information either not previously known or otherwise not properly having been taken into account prior to Contract award. In any case, this may include, in extreme circumstances, revoking the awarding of the Contract already made to a firm and subsequently awarding the Contract to another firm.

Such action on the part of the Exchange or OPM acting on its behalf shall not constitute a breach of contract on the part of the Exchange since the Contract with the initial firm would be deemed void and of no effect as if no contract ever existed between the Exchange and such firm.

The Exchange, by and through OPM, may waive minor irregularities found in proposals or allow the proposer to correct them, depending on which is in the best interest of the state. "Minor irregularities" means typographical errors, informalities that are matters of form rather than substance and evident from the proposal itself, and insignificant mistakes that can be waived or corrected without prejudice to other proposers, as determined in the discretion of the Exchange.

**XI. Ownership of Proposals**

All proposals shall become the sole property of the State and will not be returned.

**XII. Validation of Proposals**

The proposal must be signed by an authorized official and shall be a binding commitment which the Exchange may incorporate, in whole or in part, by reference or otherwise, into the Contract. The proposal must also include evidence that the person submitting the proposal has the requisite power and authority to submit and deliver the proposal and subsequently to enter into, execute and deliver and perform on behalf of the firm the Contract.

**XIII. Execution of Contract and Related Requirements**

- A. This RFP is not a contract and, alone, shall not be interpreted as such. Rather, this RFP only serves as the instrument through which proposals are solicited. Once the evaluation of the proposals is complete and a firm is selected, the selected proposal and this RFP may then serve as the basis for the Contract that will be negotiated and executed between the Exchange and the selected firm. If the Exchange and the initial selected firm fail to reach agreement on all issues relative to the Contract within a time determined solely by the Exchange, then the Exchange may commence and conclude contract negotiations with other proposers. The Exchange may decide at any time to start this RFP process again.
- B. Conn. Gen. Stat. § 4-252 requires that this RFP include a notice of the certification requirements described in this statute. Accordingly, pursuant to this statute, firms are notified as follows:
  - 1. The terms “gift,” “quasi-public agency,” “state agency,” “large state contract,” “principals and key personnel” and “participated substantially” as used in this section B1 shall have the meanings set forth in this statute.
  - 2. No state agency or quasi-public agency shall execute a large state contract unless the state agency or quasi-public agency obtains the written certifications described in this section B.2. Each such certification shall be sworn as true to the best knowledge and belief of the person signing the certification, subject to the penalties of false statement.
  - 3. The official of the person, firm or corporation awarded the contract, who is authorized to execute the contract, shall certify on such forms as the State shall provide:
    - a. That no gifts were made between the date that the state agency or quasi-public agency began planning the project, services, procurement, lease or licensing arrangement covered by the contract and the date of execution of the contract, by (i) such person, firm, corporation, (ii) any principals and key personnel of the person, firm or corporation, who participated substantially in preparing the bid or proposal or the negotiation of the contract, or (iii) any agent of such person, firm, corporation or principals and key personnel, who participated substantially in preparing the bid or proposal or the negotiation

of the contract, to (I) any public official or state employee of the state agency or quasi-public agency soliciting bids or proposals for the contract, who participated substantially in the preparation of the bid solicitation or request for proposals for the contract or the negotiation or award of the contract, or (II) any public official or state employee of any other state agency, who has supervisory or appointing authority over such state agency or quasi-public agency;

- b. That no such principals and key personnel of the person, firm or corporation, or agent of such person, firm or corporation or principals and key personnel, knows of any action by the person, firm or corporation to circumvent such prohibition on gifts by providing for any other principals and key personnel, official, employee or agent of the person, firm or corporation to provide a gift to any such public official or state employee; and
  - c. That the person, firm or corporation made the bid or proposal without fraud or collusion with any person.
- C. Any bidder or proposer that does not make the certifications required under section B shall be disqualified and the state agency or quasi-public agency shall award the contract to the next highest ranked proposer or the next lowest responsible qualified bidder or seek new bids or proposals.
- 1. The “planning date” for purposes of the Contract is July 15, 2011. The Office of Policy and Management has provided a Gift and Campaign Contribution Certification (OPM Ethics Form 1) to satisfy the requirements of this statute. The firm must execute the Contract and OPM Ethics Form 1, attached as Appendix B, contemporaneously and must deliver them together to the Office of Policy and Management.
  - (a) Section 4a-81 of the Connecticut General Statutes requires that this RFP include a notice of the consulting affidavit requirements described in the statute. Accordingly, pursuant to the statute, vendors are notified as follows:
    - (i) No state agency shall execute a contract for the purchase of goods or services, which contract has a total value to the state of fifty thousand dollars or more in any calendar or fiscal year, unless the state agency obtains the written affidavit described in subsection (2) of this section.
    - (ii) The chief official of the vendor awarded a contract described in section B.3. or the individual awarded such contract who is authorized to execute such contract, shall attest in an affidavit as to whether any consulting agreement has been entered into in connection with such contract. Such affidavit shall be required if any duties of the consultant included communications concerning business of such state agency, whether or not direct contact with a state agency, state or public official or state employee was expected or made. "Consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (i) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State, (ii) contacting, whether in writing or orally, any executive, judicial, or administrative office of the state, including any department, institution, bureau, board, commission, authority, official or

employee for the purpose of solicitation, dispute resolution, introduction or requests for information or (iii) any other similar activity related to such contract. "Consulting agreement" does not include any agreements entered into with a consultant who is registered under the provisions of Chapter 10 of the Connecticut General Statutes concerning the State's Codes of Ethics, as of the date such affidavit is submitted.

- (iii) Such affidavit shall be sworn as true to the best knowledge and belief of the person signing the certification on the affidavit and shall be subject to the penalties of false statement.
  - (iv) Such affidavit shall include the name of the consultant, the consultant's firm, the basic terms of the consulting agreement, a brief description of the services provided, and an indication as to whether the consultant is a former state employee or public official. If the consultant is a former state employee or public official, such affidavit shall indicate his or her former agency and the date such employment terminated.
  - (v) The Office of Policy and Management has provided OPM Ethics Form 5 to satisfy the requirements of this statute. Accordingly, the firm must deliver this Form 5, attached as Appendix E, together with its proposal and then deliver an updated Form 5 dated the date that the firm executes the Contract. Such affidavit shall be amended whenever the vendor awarded the contract enters into any new consulting agreement during the term of the contract.
  - (vi) If a vendor refuses to submit the affidavit required under section C.1.(a), then the state agency shall not award the contract to such vendor and shall award the contract to the next highest ranked vendor or the next lowest responsible qualified bidder or seek new bids or proposals.
  - (vii) This section 8.C. is set forth here only for purposes of providing notice of the requirements of the Act. Accordingly, it is neither intended nor should it be interpreted nor relied upon to be a complete and full reiteration of the Act's contents. Any interpretation or understanding of the Act's requirements or content by any party must come only from reading the full text of the Act itself.
- (b) Pursuant to Governor M. Jodi Rell's Executive Order No. 1, paragraph 8, and Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), contractors executing state contracts with a value to the State of \$50,000 or more in a calendar or fiscal year shall execute a **Gift and Campaign Contribution Certification (OPM Ethics Form 1)** contemporaneously with the contract certifying that between the planning and start date and the execution date, neither the contract signatory nor any principals nor key personnel of the contractor who participated directly, extensively and substantially in the preparation of the proposal or in the negotiation of the contract gave a contribution to candidates for statewide public office or the General Assembly. The firm must execute the Contract and this Form 1, attached as Appendix B, contemporaneously and must deliver them together to the Office of Policy and Management.
- (c) Pursuant to Governor M. Jodi Rell's Executive Order No. 1, paragraph 8, and Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), contractors are required to submit a contract certification (annually to

update previously submitted certification forms for state contracts. Contractors must use the Gift and Campaign Contribution Certification (OPM Ethics Form 1) for this purpose, attached as Appendix B. The first of these OPM Ethics Form 1 certifications is due on the contract signing date of the execution of the Contract and then every succeeding contract signing date during the time that the Contract is in effect, including the contract signing date following the termination or expiration of the Contract or conclusion of the services.

- (d) Pursuant to Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended by Public Act 07-245 and Sections 9 and 10 of Public Act 07-142, every contractor is required to provide the State with documentation in the form of a company or corporate policy adopted by resolution of the board of directors, shareholders, managers, members or other governing body of such contractor to support the contractor's nondiscrimination agreements and warranties which are included in such contractor's contract pursuant to said statutes. Copies of two certification forms (one for businesses and one for individuals) that will satisfy these requirements are attached to this RFP as Appendix F. The applicable certification form must be signed by an authorized signatory of the Proposer and submitted to the Exchange at the time of contract execution.

#### **XIV. Oral Agreement or Arrangements**

Any alleged oral agreements or arrangements made by firms with any State agency or employee will be disregarded in any State proposal evaluation or associated award.

#### **XV. Independent Price Determinations**

In the proposals, firms must warrant, represent, and certify that the following requirements have been met in connection with this RFP:

1. The fees and costs proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor.
2. Unless otherwise required by law, the costs quoted have not been knowingly disclosed by the firm prior to the deadline for submission of proposals directly or indirectly to any other organization or to any competitor; and
3. No attempt has been made, or will be made, by the firm to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **XVI. Offer of Gratuities**

The firm must represent that no elected or appointed official or employee of the State of Connecticut has, or will, benefit financially or materially from the Contract. The Contract may be terminated by the Exchange if it is determined that gratuities of any kind were either offered to, or received by, any of state officials or employees from the firm, the law firm's agent(s), representatives(s) or employees(s). Such action on the part of the Exchange shall not constitute a breach of contract on the part of the Exchange.

## **XVII. Subletting or Assigning of Contract**

The Contract or any portion thereof, or the work provided for therein, or the right, title, or interest of the firm therein or thereto may not be sublet, sold, transferred, assigned or otherwise disposed of to any person or entity without the prior written consent of the Exchange. No person or entity, other than the firm to which the Contract was awarded, is permitted to perform work without the prior written approval of the Exchange.

## **XVIII. Freedom of Information**

The Office of Policy and Management and the Exchange are public agencies and their records, including responses to this RFP, are public records. *See* Conn. Gen. Stat. §§1-200, et seq., and especially §1-210(b)(4) and §1-210(b)(5)(B). Due regard will be given for the protection of proprietary or confidential information contained in all proposals received. However, all materials associated with this RFP are subject to the terms of the Connecticut Freedom of Information Act ("FOIA") and all applicable rules, regulations and administrative decisions. If a firm is interested in preserving the confidentiality of any part of its proposal, it will not be sufficient merely to state generally in the proposal that the proposal is proprietary or confidential in nature and not, therefore, subject to release to third parties. Instead, those particular sentences, paragraphs, pages or sections that a firm believes to be exempt from disclosure under the FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption consistent with Section 1-210(b) of the FOIA must accompany the proposal. The rationale and explanation must be stated in terms of the reasons the materials are legally exempt from release pursuant to the FOIA. Firms should not request that their entire proposal, nor the majority of the proposal, be confidential. Any submitted proposal, once execution of a contract is complete and any completed contract will be considered public information. The Exchange has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The contractor has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall the Exchange have any liability for the disclosure of any documents or information in its possession which the Exchange believes are required to be disclosed pursuant to the FOIA or other requirements of law.

## **XIX. Conformance with Federal, State and Other Requirements**

In the Contract, the firm will represent and warrant that, at all pertinent and relevant times to the Contract, it has been, is and will continue to be in full compliance with all Federal, State, municipal or other governmental department, commission, board, bureau, agency or instrumentality, codes, statutes, acts, ordinances, judgments, decrees, injunctions and regulations.

## **XX. Executive Orders**

The Contract shall be subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973 and the provisions of Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999. The contract may also be subject to Executive Order No. 7C of Governor M. Jodi Rell, promulgated

July 13, 2006, concerning contracting reforms, in accordance with its terms and conditions.

**XXI. Americans with Disabilities Act**

The firm shall comply with the Americans with Disabilities Act and any other applicable federal laws and regulations.

**XXII. Affirmative Action and Contract Compliance Reporting**

Firms are advised that in addition to evaluating their qualifications, experience, capabilities, competitiveness of cost and conformance to these RFP specifications, weight may also be given to firms which demonstrate a commitment to affirmative action by full compliance with the Commission on Human Rights and Opportunities regulations.

**XXIII. Campaign Contribution and Solicitation Ban**

With regard to a State contract, as defined in Public Act No. 07-1, having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to the proposal in response to this RFP expressly acknowledges receipt of the State Elections Enforcement Commission's notice, as attached in Appendix H, advising prospective state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice.



# **APPENDIX A TO REQUEST FOR PROPOSALS**

## **PROFESSIONAL SERVICES AGREEMENT BETWEEN THE Connecticut Health Insurance Exchange, A N D**

\_\_\_\_\_

This Agreement is made by and between the Connecticut Health Insurance Exchange, duly authorized pursuant to Public Act 11-53 of the 2011 Legislative Session, with an office at 450 Capitol Avenue, Attention: Amy Tibor, MS#52LTC, Hartford, CT 06106 and \_\_\_\_\_, acting by \_\_\_\_\_, with its principal place of business at \_\_\_\_\_.

In consideration of these premises and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

### **SECTION 1: SCOPE OF SERVICES**

1.1 The services to be performed by the CONTRACTOR shall consist of the following, collectively referred to as "Services":

- (a) Provision of legal advice to the Office of Policy and Management ("OPM") to provide legal support for the Connecticut Health Insurance Exchange ("Exchange"), created by Public Act 11-53, in the development of bylaws, procedures, contracts, and other required legal duties;
- (b) Development of by-laws and policies and procedures for the Exchange's operation encompassing the hiring, dismissing, promoting and compensating of employees, an affirmative action policy and general employment rules;
- (c) Preparation of the necessary documentation to establish the Exchange business entity, including tax identification numbers and the tax status of the Exchange;
- (d) Legal advice and guidance on compliance with applicable state and federal law in the operation of the Exchange, including Public Act 11-53;
- (e) Preparation of personnel policies and/or an employee handbook encompassing the hiring, dismissing, promoting and compensating of employees, an affirmative action policy and general work and employment rules;
- (f) Draft boilerplate contracts for use by the Exchange in contracting for necessary financial, legal or other professional services, including a requirement for a competitive procurement process;
- (g) Assist the Board of Directors of the Exchange and senior staff, as applicable, in negotiation and drafting of any necessary employment contracts for senior/key employees of the Exchange, including Chief Financial Officer, Chief Operating Officer; Director Information Technology; General Counsel; Director Policy and Research and Director Marketing Communications.
- (h) Negotiation and drafting lease for office space to house the staff of the

Exchange.

- (i) Review, analysis, investigation and research necessary to carry out the Services.
- (j) Preparing, writing and providing to the EXCHANGE or his designee all documents and instruments, in electronic, magnetic, paper and any other form, which are necessary or appropriate to carry out said Services.
- (k) Negotiating and/or engaging in mediation, with the approval of the EXCHANGE, with any and/or all parties necessary to carry out the Services.
- (l) Making appearances and filings as assigned in all related matters (collectively, "Actions") as determined to be necessary and/or appropriate in consultation with the EXCHANGE and/or his designee.
- (m) Hiring and consulting with experts and/or consultants, as may be reasonably and necessarily required and as approved by the EXCHANGE subject to the following requirements and limitations:
  - (1) Terms of subcontracts over \$5000.00 must be approved in writing and in advance by the EXCHANGE. In requesting approval, CONTRACTOR must include the following information:
    - (a) Why it is necessary to hire a subcontractor.
    - (b) How the proposed subcontractor was selected.
    - (c) Proposed rates and reimbursements for the subcontractor.
    - (d) Comparison of these rates to those of other qualified subcontractors.
  - (2) Subcontracts or agreements must include terms which are substantially similar to the billing terms in the Compensation and Reimbursement Section of this Agreement.
  - (3) CONTRACTOR's bills for subcontracted work must include full detailed itemizations of all fees and expenses for the subcontracted work, with appropriate supporting documentation.
- (n) Providing all necessary paralegal and clerical support.
- (o) Performing all tasks under this Agreement in coordination with the EXCHANGE.

SECTION 2: AGREEMENT ADMINISTRATION

2.1 The person in charge of administering this Agreement on behalf of the EXCHANGE is Lieutenant Governor Nancy Wyman, Chair and her successors in office, whose contact information is as follows:

The Connecticut Health Insurance Exchange  
450 Capitol Avenue  
Hartford, CT 06106  
Telephone: (860) 418-\_\_\_\_  
Fax: (860) 418-\_\_\_\_  
Email:\_\_\_\_\_ @ct.gov

2.2 The person in charge of administering this Agreement on behalf of the CONTRACTOR is:\_\_\_\_\_, whose contact information is as follows:

\_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_

2.3 The professional staff members of CONTRACTOR primarily responsible for the performance of this Agreement are \_\_\_\_\_. The CONTRACTOR may not change these individuals without the prior written consent of the EXCHANGE.

2.4 Within seven days after receiving a request by the EXCHANGE, the CONTRACTOR shall remove from assignment to this Agreement any specified professional or other staff and, at the EXCHANGE’S request, shall augment the remaining staff with such other staff as is acceptable to the EXCHANGE.

SECTION 3: COMPENSATION AND REIMBURSEMENT

3.1 The EXCHANGE agrees to compensate the CONTRACTOR for services solely in accordance with the following hourly rate schedule:

	<u>Title</u>	<u>Hourly Rate</u>
(a)	_____	_____
(b)	_____	_____

- (c) \_\_\_\_\_
- (d) \_\_\_\_\_

The above hourly rates shall be charged only for actual time spent rendering such Services; the CONTRACTOR shall not "round off" time. The time spent rendering Services shall be billed to the tenth of an hour within any single workday. The EXCHANGE shall not be charged for any other time expended by the CONTRACTOR during travel, overnight stays, or the like associated with the performance of the Services.

3.2 Compensation will be paid only after the submission of itemized documentation, in a form acceptable to the EXCHANGE. Billings are to be on a monthly basis. The billings must contain, at a minimum, a detailed description of the work performed, the date of performance, the actual time spent performing the work, the name and position of the person(s) rendering the Service and the rate charged for that Service. The monthly bill must also be accompanied by a summary of time and charges billed for each attorney and paralegal itemized on the invoice. Upon the request of the EXCHANGE, CONTRACTOR must submit a summary memorandum describing how the Service rendered furthered resolution of the matter and the current status of the matter. The EXCHANGE or his designee may, prior to authorizing payment under this Section, require the CONTRACTOR to submit such additional accounting and information as he deems to be necessary or appropriate. The CONTRACTOR shall not be compensated for any time spent preparing any billing documentation, including but not limited to such documentation and accompanying memoranda required by this Section and the Status Reports and Records Section of this Agreement. All bills must be sent to **the Office of Policy and Management, 450 Capitol Avenue, Attention: Amy Tibor, MS#52LTC, Hartford, Connecticut 06106.**

3.3 Within twenty days of execution of this Agreement, the CONTRACTOR shall submit to the EXCHANGE and OPM for approval a detailed projected plan and budget containing, but not limited to, a brief statement of the case or matter, a description of the nature and scope of the various phases of the Services expected to be performed, an estimate of the cost of the work broken down into the various phases of the Services, with a total cost not to exceed the maximum amount of this Agreement and an estimate of the time required to successfully complete the Services. Prior to effecting, undertaking or initiating a material change in the Services, or upon having reason to believe that the Services or any portion of the Services cannot be completed within the amount budgeted for the Services or that portion of the Services, the CONTRACTOR shall submit to the EXCHANGE for approval a revised projected plan and budget that reflects the changes to the existing projected plan and budget. If the revised projected plan and budget contains a projected cost exceeding the maximum compensation set out in this Section, the CONTRACTOR shall consult with the EXCHANGE or his designee, for the purpose of (1) revising the Services; (2) revising the maximum compensation amount; (3) revising the billing rates; (4) some combination thereof; or (5) other action permitted under this Agreement or any agreed-upon amendment. The EXCHANGE, in its sole discretion, may require revisions, supplements and modifications of the projected plan and budget from time to time. The CONTRACTOR will not be compensated for the preparation, amendment, or modification of the projected plan and budget.

3.4 The EXCHANGE agrees to reimburse the CONTRACTOR for actual, necessary and reasonable out-of-pocket disbursements and expenses, including filing fees, court costs, computerized research (at cost), commercial messenger and delivery services (at cost), expert witnesses, consultants, mediators, investigative services, long distance telephone calls, and

transcript or deposition costs. The EXCHANGE shall not reimburse the CONTRACTOR for any overhead related expenses, including, but not limited to, duplicating, secretarial, facsimile (other than long-distance telephone line charges), clerical staff, library staff, proofreading staff, meals and in-state transportation costs or expenses unless they are otherwise approved by the EXCHANGE. The CONTRACTOR shall be reimbursed for reasonable expenses for transportation, parking and reasonable lodging and meals associated with interstate travel, specifically excluding first class airfare, as approved in advance by the EXCHANGE or its designee. Reimbursable interstate travel shall not include travel to meet with staff of the Exchange or OPM, and all such meetings shall be conducted in Hartford, Connecticut, unless otherwise specified by the EXCHANGE.

3.5 The CONTRACTOR shall not be compensated for time spent on background or elementary legal research or any legal training without the prior written consent of the EXCHANGE. For the purposes of this Agreement, elementary legal research includes, but is not limited to, any matter which is addressed in Connecticut Lawyers Basic Practice Manual (1986) and (1989). Charges for legal research must be accompanied by a detailed description setting forth the purpose of the research and summarizing its nature. Any written material produced as a result of such research shall be available to the EXCHANGE or its designee at, on or before the third business day following the date of its written request. The EXCHANGE shall have the final decision in all disputes between the parties to this Agreement under this subsection.

3.6 The CONTRACTOR shall not be compensated for time spent in consultation with any attorney or other employee of the EXCHANGE or OPM concerning the administration of this Agreement and/or issues relating to billing. Unless otherwise authorized by the EXCHANGE, compensation for communication between or among attorneys and/or staff within the CONTRACTOR'S firm is limited to the time and billing rate of the most senior attorney or staff member participating in the communication. These charges must be accompanied by a detailed description setting forth the purpose of the communication and summarizing its details. The EXCHANGE or its designee shall make the final determination, in its sole discretion, as to the adequacy of such description.

3.7 Absent the consent of the EXCHANGE or his designee, the CONTRACTOR shall not be compensated for the attendance or participation of more than one attorney representing the State of Connecticut at or during any meeting, conference or proceeding, in person or otherwise, in any forum, in connection with performing the Services. Where more than one attorney has attended or participated in any such meeting, conference or proceeding without the consent of the EXCHANGE or its designee, the CONTRACTOR shall be compensated only for the time of the most senior attorney in attendance or participating.

3.8 The CONTRACTOR shall not be compensated for the performance of paralegal or clerical type duties performed by an attorney. Paralegal duties or clerical duties include, by way of example and not limitation, routine proofreading of pleadings and other correspondence, preparation of trial or closing binders or notebooks, photocopying and coordinating the schedules of others.

3.9 The EXCHANGE shall approve for payment all undisputed fees and costs, as soon as the documentation can properly be processed in accordance with usual State practice.

3.10 Maximum payments under this Agreement shall not exceed One Hundred

Fifty-Three Thousand Five Hundred Dollars (\$153,500.00).

3.11 The EXCHANGE shall have the right, without the need of prior notice to the CONTRACTOR, to assign the performance of some aspect of the Services to staff counsel where the EXCHANGE or its designee, in its sole discretion, finds that such an assignment would best serve the interests of the Connecticut Health Insurance Exchange. This assignment shall not be deemed to be a breach of contract by the EXCHANGE.

3.12 Compensation and reimbursement provided under this Section constitutes full and complete payment for all costs and expenses incurred or assumed by the CONTRACTOR in performing this Agreement. No other costs, expenses or overhead items shall be reimbursed by the EXCHANGE without the prior written approval of the EXCHANGE or its designee.

#### SECTION 4: TERMINATION

4.1 Notwithstanding any provisions in this Agreement, the EXCHANGE, through a duly authorized employee, may terminate the Agreement whenever the EXCHANGE makes a written determination that such termination is in the best interests of the State. The EXCHANGE shall notify the CONTRACTOR in writing of termination pursuant to this Section, which notice shall specify the effective date of termination and the extent to which the CONTRACTOR must complete performance of the Services prior to such date.

4.2 Upon receipt of a written notice of termination from the EXCHANGE, the CONTRACTOR shall cease operations as directed by the EXCHANGE in the notice, and take all actions that are necessary or appropriate, or that the EXCHANGE may reasonably direct, for the protection and preservation of the Records, as that term is defined in the Indemnification Section of this Agreement. Except for any work which the EXCHANGE directs the CONTRACTOR to perform in the notice prior to the effective date of termination, and except as otherwise provided in the notice, the CONTRACTOR shall terminate or conclude all existing subcontracts.

4.3 In the case of any termination, the EXCHANGE shall, within forty-five (45) days of final billing after the effective date of termination, pay the CONTRACTOR for its performance rendered and accepted by the EXCHANGE, in addition to all actual and reasonable costs incurred after notice of termination in completing those portions of the Services which the CONTRACTOR was required to complete by the notice. However, the CONTRACTOR is not entitled to receive and the EXCHANGE is not obligated to tender to the CONTRACTOR any payments for anticipated or lost profits.

4.4 Upon termination of the Agreement and except with respect to sections which survive termination, all other rights and obligations shall be null and void, such that no party shall have any further rights or obligations to any other party. All representations, warranties, agreements and rights of the parties under the Agreement shall survive such termination to the extent not otherwise limited in the Agreement and without each one of them having to be specifically mentioned in the Agreement.

4.5 Termination of the Agreement pursuant to this Section shall not be deemed to be a breach of contract by the EXCHANGE.

4.6 Upon receipt of written notification from the EXCHANGE of termination, the CONTRACTOR shall immediately cease to perform the Services unless otherwise directed by the EXCHANGE or to the extent necessary to prevent the State from failing to

make timely filings or otherwise failing to comply with court orders or the law. The Records are deemed to be the property of the State. The CONTRACTOR shall assemble and deliver to the EXCHANGE all Records in electronic, magnetic, paper or any other form, that may be in his possession or custody, and shall transmit the same to the EXCHANGE or its designee as soon as possible in a non-proprietary format no later than the fifteenth day following the receipt of the above written notice, together with a detailed hourly description of the Services performed and expenses reasonably incurred.

4.7 The CONTRACTOR, on sixty (60) days' prior written notice to the EXCHANGE, may terminate this Agreement.

4.8 On the effective date of CONTRACTOR's termination, the CONTRACTOR shall immediately cease to perform the Services except to the extent necessary to prevent the State from failing to make timely filings or otherwise failing to comply with court orders or the law. The Records are deemed to be the property of the State. The CONTRACTOR shall assemble and deliver to the EXCHANGE all Records in electronic, magnetic, paper or any other form, that may be in its possession or custody, and shall deliver the same to the EXCHANGE or its designee as soon as possible in a non-proprietary format, such as, but not limited to, ASCII or .TXT, but no later than the fifteenth day following the transmittal of the written notice, together with a description of the cost of the Services performed and expenses reasonably incurred.

4.9 If CONTRACTOR terminates this Agreement, CONTRACTOR shall not be entitled to any compensation for Services that are rendered or payment for expenses that are incurred subsequent to the date of termination.

#### SECTION 5: TIME OF PERFORMANCE

5.1 The CONTRACTOR shall perform the Services at such times and in such sequence as may be reasonably directed by the EXCHANGE or its designee.

5.2 This Agreement will run from its effective date until the tasks set forth in the Scope of Services Section of this Agreement are performed or completed to the satisfaction of the EXCHANGE, or unless sooner terminated in accordance with the Termination and Cancellation Sections of this Agreement, but in no event beyond one year, unless otherwise amended.

#### SECTION 6: SETOFF

6.1 In addition to all other remedies that the EXCHANGE may have, the EXCHANGE, in its sole discretion, may setoff (1) any costs or expenses that the State incurs resulting from the CONTRACTOR's unexcused non-performance under the Agreement and under any other agreement or arrangement that the CONTRACTOR has with the State and (2) any other amounts that are due or may become due from the State to the CONTRACTOR, against amounts otherwise due or that may become due to the CONTRACTOR under the Agreement, or under any other agreement or arrangement that the CONTRACTOR has with the State. The State's right of setoff shall not be deemed to be the State's exclusive remedy for the CONTRACTOR's breach of the Agreement, all of which shall survive any setoffs by the State.

## SECTION 7: CROSS DEFAULT

7.1 If the CONTRACTOR breaches, defaults or in any way fails to perform satisfactorily under the Agreement, then the EXCHANGE may, in its sole discretion, without more and without any action whatsoever required of the EXCHANGE, treat any such event as a breach, default or failure to perform under any or all other agreements or arrangements (“Other Agreements”) that the CONTRACTOR has with the EXCHANGE. Accordingly, the EXCHANGE may then exercise at its sole option any and all of its rights or remedies provided for in the Agreement or Other Agreements, either selectively or collectively and without such election being deemed to prejudice any rights or remedies of the EXCHANGE, as if the CONTRACTOR had suffered a breach, default or failure to perform under the Other Agreements.

7.2 If the CONTRACTOR breaches, defaults or in any way fails to perform satisfactorily under any or all other Agreements with the EXCHANGE, then the EXCHANGE may, in its sole discretion, without more and without any action whatsoever required of the EXCHANGE, treat any such event as a breach, default or failure to perform under the Agreement. Accordingly, the EXCHANGE may then exercise at its sole option any and all of its rights or remedies provided for in the other Agreements or the Agreement, either selectively or collectively and without such election being deemed to prejudice any rights or remedies of the EXCHANGE, as if the CONTRACTOR had suffered a breach, default or failure to perform under the Agreement.

## SECTION 8: REPRESENTATIONS AND WARRANTIES

8.1 The CONTRACTOR represents and warrants to the EXCHANGE for itself and for the CONTRACTOR Agents, as defined in the Indemnification Section of this Agreement, as applicable, that:

- (a) the contractor is duly and validly existing under the laws of its state of organization and is authorized to conduct business in the State of Connecticut in the manner contemplated by the Agreement. Further, it has taken all necessary action to authorize the execution, delivery and performance of the proposal and the Agreement and has the power and authority to execute, deliver and perform its obligations under the Agreement;
- (b) it will comply with all applicable State and Federal laws and municipal ordinances in satisfying its obligations under and pursuant to the Agreement, including, but not limited to Connecticut General Statutes Title 1, Chapter 10, concerning the State’s Codes of Ethics;
- (c) the execution, delivery and performance of the Agreement will not violate, be in conflict with, result in a breach of or constitute (with or without due notice and/or lapse of time) a default under any of the following, as applicable: (1) any provision of law; (2) any order of any court or the State; or (3) any indenture, agreement, document or other instrument to which it is a party or by which it may be bound;
- (d) it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any governmental entity;
- (e) Contractor and Contractor’s Agents have not, within the three years preceding the Agreement, in any of their current or former jobs, been convicted of, or had a civil judgment rendered against them for commission of fraud or a criminal offense in



connection with obtaining, attempting to obtain, or performing a transaction or contract with any governmental entity. This includes, but is not limited to, violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- (f) Contractor and Contractor's Agents are not presently indicted or, to the best of their knowledge, under investigation for or otherwise criminally or civilly charged by any governmental entity with commission of any of the offenses listed above;
- (g) Contractor and Contractor's Agents have not within the three years preceding the Agreement had one or more contracts with any governmental entity terminated for cause;
- (h) to the best of its knowledge, there are no Claims, as defined in the Indemnification Section of this Agreement, involving the CONTRACTOR that might reasonably be expected to materially adversely affect its businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Agreement;
- (i) it shall disclose, to the best of its knowledge, to the EXCHANGE in writing any Claims involving them that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Agreement, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims;
- (j) its participation in the request for proposal process is not a conflict of interest or a breach of ethics under the provisions of Title 1, Chapter 10 of the Connecticut General Statutes concerning the State's Code of Ethics;
- (k) the proposal was not made in connection or concert with any other person, entity or proposer submitting a proposal and is in all respects fair and without collusion or fraud;
- (l) it has paid all applicable workers' compensation second injury fund assessments concerning all previous work done in Connecticut;
- (m) it owes no past due unemployment compensation contributions;
- (n) it is not delinquent in the payment of any taxes owed to the State of Connecticut.
- (o) it shall not copy or divulge to any third party any information or any data in any form obtained or produced in connection with the performance of its duties and responsibilities pursuant to this Agreement other than in connection with the performance of those duties and responsibilities. The CONTRACTOR shall keep all confidential or privileged Records in secured areas and shall take reasonable precautions to protect the Records from the dangers of fire, theft, flood, natural disasters and other physical threats, as well as unauthorized access.
- (p) During the course of this Agreement, the CONTRACTOR shall not represent any other client if such representation will materially affect its duties or

obligations to the State of Connecticut or the EXCHANGE or create an appearance of impropriety.

- (q) The COUNSEL will not knowingly enter into or retain any business relationships or enterprise in which a member of the Exchange Board of Directors or an employee of the Exchange holds an interest, other than a nominal interest in a publicly held corporation, without the prior written consent of the EXCHANGE.

#### SECTION 9: STATUS REPORTS AND RECORDS

9.1 Upon written or oral request by the EXCHANGE or its designee, the CONTRACTOR will promptly report on the status of the Services performed, including, but not limited to, problems, strategy, analysis and the like.

9.2 The above-described reports shall be provided in writing or orally, as directed by the person requiring a work status report.

9.3 The CONTRACTOR, upon the request of the EXCHANGE or his designee, shall give to the EXCHANGE or its designee all original documentation, or, in the sole discretion of the EXCHANGE or his designee, copies thereof, filed in the course of, or arising out of, the CONTRACTOR'S performance of the Services. The CONTRACTOR shall otherwise maintain all original documentation, or copies thereof in the manner specified in the Representation and Warranties Section of this Agreement, for a period of six (6) years after the termination of this Agreement.

#### SECTION 10: INSURANCE

10.1 Before commencing performance of the Services, the CONTRACTOR shall obtain and maintain at its own cost and expense for the duration of the Agreement, the following insurance:

- (a) Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the work covered by this Agreement or the general aggregate limit shall be twice the occurrence limit.
- (b) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the COUNSEL does not own an automobile, but one is used in the performance of the Services, then only hired and non-owned coverage is required. If a vehicle is not used in the performance of the Services, then automobile coverage is not required.
- (c) Workers' Compensation and Employers Liability: coverage in compliance with applicable workers compensation laws. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 Disease - Policy limit, \$100,000 each employee.

(d) Professional Liability: The CONTRACTOR shall secure and maintain, at no cost or expense to the State, a professional liability insurance policy in a form acceptable to the EXCHANGE in the minimum amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_) with a deductible not to exceed \_\_\_\_\_ (\$\_\_\_\_\_). This policy shall insure the CONTRACTOR against damages and costs resulting from negligent acts, errors, and omissions in the work performed by the CONTRACTOR on and after the effective date of, and under the terms of, this Agreement. The CONTRACTOR may, at its election, obtain a policy containing a maximum (\$\_\_\_\_\_) deductible clause, but if so, the CONTRACTOR shall be liable, as stated above herein, to the extent of the deductible amount.

10.2 No later than thirty (30) days after the effective date of this Agreement, the CONTRACTOR shall furnish to the EXCHANGE on a form or forms acceptable to the EXCHANGE, a Certificate of Insurance, including amendment(s), fully executed by an insurance company or companies satisfactory to the EXCHANGE for the insurance policy or policies required in the Status Reports and Records Section of this Agreement, which policy or policies shall be in accordance with the terms of the Certificate of Insurance.

#### SECTION 11: INDEMNIFICATION

11.1 The CONTRACTOR shall indemnify, defend and hold harmless the State and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all (1) Claims arising, directly or indirectly, in connection with the Agreement, including the acts of commission or omission (collectively, the "Acts") of the CONTRACTOR or CONTRACTOR Agents, as defined below; and (2) liabilities, damages, losses, costs and expenses, including but not limited to, attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Agreement. The CONTRACTOR shall use contractor reasonably acceptable to the State in carrying out its obligations under this Section. The CONTRACTOR's obligations under this Section to indemnify, defend and hold harmless against Claims includes Claims concerning confidentiality of any part of or all of the proposal or any Records, any intellectual property rights, other proprietary rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions or articles furnished or used in the performance of the Agreement.

11.2 The CONTRACTOR shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the CONTRACTOR or any CONTRACTOR Agents. The State shall give the CONTRACTOR reasonable notice of any such Claims.

11.3 The CONTRACTOR's duties under this Section shall remain fully in effect and binding in accordance with the terms and conditions of the Agreement, without being lessened or compromised in any way, even where the CONTRACTOR is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.

11.4 The rights provided in this Section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.

11.5 This section shall survive the Termination, Cancellation or Expiration of the Agreement, and shall not be limited by reason of any insurance coverage.

11.6 The term "Claims" means all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmaturing, contingent, known or unknown, at law or in equity, in any forum.

11.7 The term "CONTRACTOR Agents" means the CONTRACTOR's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the CONTRACTOR is in privity of oral or written contract and the CONTRACTOR intends for such other person or entity to perform under the Agreement in any capacity.

11.8 The term "Records" means all working papers and such other information and materials as may have been accumulated by the CONTRACTOR or CONTRACTOR Agents in performing the Agreement, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.

11.9 The CONTRACTOR shall not use, raise, or plead the defense of sovereign or governmental immunity in the adjustment or settlement of any Claims against the CONTRACTOR arising out of the work performed under this Agreement, or as a defense in any Claims, unless specifically authorized to do so in writing by the EXCHANGE or its designee.

#### SECTION 12: CHANGES TO THIS AGREEMENT

12.1 Any and all amendments, changes, extensions, revisions or discharges of this Agreement, in whole or in part, on one or more occasions, must be in writing and executed by all the parties to this Agreement in order to be enforceable.

#### SECTION 13: REQUIRED PERSONNEL/OFFICE

13.1 On or before the effective date of this Agreement, the CONTRACTOR shall have secured, and shall maintain during the term of this Agreement, all at its sole cost and expense (i) such appropriately skilled and competent personnel and supporting staff in adequate numbers; and (ii) such equipment as are reasonably necessary or appropriate to fully perform the Services to the satisfaction of the EXCHANGE.

13.2 The personnel shall not be employees of or have any contractual relationship with the Exchange or OPM.

13.3 All the Services shall be performed by the CONTRACTOR or under its supervision, and all personnel engaged in the Services shall be fully qualified and shall be authorized or permitted under law to perform the applicable Services.

#### SECTION 14: NONDISCRIMINATION AND AFFIRMATIVE ACTION PROVISIONS

14.1 References in this section to "contract" shall mean this Contract and references to "CONTRACTOR" shall mean the CONTRACTOR.

(a) The following subsections are set forth here as required by section 4a-60 of the Connecticut General Statutes:

(1) The CONTRACTOR agrees and warrants that in the performance of the

contract such CONTRACTOR will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such CONTRACTOR that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The CONTRACTOR further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such CONTRACTOR that such disability prevents performance of the work involved; (2) the CONTRACTOR agrees, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission; (3) the CONTRACTOR agrees to provide each labor union or representative of workers with which such CONTRACTOR has a collective bargaining agreement or other contract or understanding and each vendor with which such CONTRACTOR has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the CONTRACTOR's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the CONTRACTOR agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f; (5) the CONTRACTOR agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the CONTRACTOR as relate to the provisions of this section and section 46a-56.

- (b) If the contract is a public works contract, the CONTRACTOR agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (c) "Minority business enterprise" means any small CONTRACTOR or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) Who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in subsection (a) of section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.
- (d) Determination of the CONTRACTOR's good faith efforts shall include but shall not be limited to the following factors: The CONTRACTOR's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

- (e) The CONTRACTOR shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- (f) The CONTRACTOR shall include the provisions of section A above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The CONTRACTOR shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the CONTRACTOR may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (g) The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes:

(1) The CONTRACTOR agrees and warrants that in the performance of the contract such CONTRACTOR will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the CONTRACTOR agrees to provide each labor union or representative of workers with which such CONTRACTOR has a collective bargaining agreement or other contract or understanding and each vendor with which such CONTRACTOR has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the CONTRACTOR's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the CONTRACTOR agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and (4) the CONTRACTOR agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the CONTRACTOR which relate to the provisions of this section and section 46a-56.

- (h) The CONTRACTOR shall include the provisions of section (g) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The CONTRACTOR shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the CONTRACTOR may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

For the purposes of this entire Non-Discrimination section, "contract" includes any extension or modification of the contract, "CONTRACTOR" includes any successors or

assigns of the CONTRACTOR, "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced, and "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders. For the purposes of this section, "contract" does not include a contract where each CONTRACTOR is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

#### SECTION 15: CERTAIN STATE ETHICS REQUIREMENTS

15.1. For all State contracts as defined in P.A. 07-01 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state CONTRACTORS of state campaign contributions and solicitation prohibitions, and will inform its principals of the contents of the notice.

15.2 Pursuant to Governor M. Jodi Rell's Executive Order No. 1, paragraph 8, and Governor M. Jodi Rell's Executive Order No. 7C, paragraph 10(a), the CONTRACTOR must submit a contract certification annually to update previously submitted certification forms for state contracts. Contractors must use the Gift and Campaign Contribution Certification (OPM Ethics Form 1) for this purpose, attached as Appendix B. The first of these OPM Ethics Form 1 certifications is due on the first annual anniversary date of the execution of this Agreement and then every succeeding annual anniversary date during the time that this Agreement is in effect, including the first anniversary date following the termination or expiration of this Agreement or conclusion of the Services. This provision shall survive the termination or expiration of the Agreement in order for the CONTRACTOR to satisfy its obligation to submit the last certification.

#### SECTION 16: APPLICABLE EXECUTIVE ORDERS OF THE GOVERNOR

16.1 The CONTRACTOR shall comply, to the extent applicable, with the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings and Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace and Executive Order No. 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms. These Executive Orders are incorporated into and are made a part of this Agreement as if they had been fully set forth in it. At the CONTRACTOR'S request, the EXCHANGE shall provide a copy of these orders to the CONTRACTOR.

#### SECTION 17: CONFIDENTIALITY

17.1 All of the reports, information, data, and other papers and materials, in whatever form, prepared or assembled by the CONTRACTOR under this Agreement are confidential, and the CONTRACTOR shall not make them available to any individual or organization, other than in connection with the performance of those duties and responsibilities, without the prior written approval of the EXCHANGE or its designee.

17.2 The EXCHANGE will afford due regard to any request of the CONTRACTOR for the protection of proprietary or confidential information which the EXCHANGE receives from the CONTRACTOR. However, all materials associated with the Agreement are subject to the terms of the Connecticut Freedom of Information Act (“FOIA”) and all corresponding rules, regulations and interpretations. In making such a request, the CONTRACTOR may not merely state generally that the materials are proprietary or confidential in nature and not, therefore, subject to release to third parties. Those particular sentences, paragraphs, pages or sections that the CONTRACTOR believes are exempt from disclosure under the FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption consistent with the FOIA must accompany the request. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of the CONTRACTOR that would result if the identified material were to be released and the reasons why the materials are legally exempt from release pursuant to the FOIA. To the extent that any other provision or part of the Agreement, especially including the Records, conflicts or is in any way inconsistent with this Section, this Section controls and shall apply and the conflicting provision or part shall not be given effect. The EXCHANGE shall not have any obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The CONTRACTOR shall have the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall the EXCHANGE or the State have any liability for the disclosure of any documents or information in its possession which the EXCHANGE believes are required to be disclosed pursuant to the FOIA or other requirements of law.

#### SECTION 18: MISCELLANEOUS

18.1 The sole and exclusive means for the presentation of any Claim, as defined in the Indemnification Section of this Agreement, against the State arising from this Agreement shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims Against the State). The CONTRACTOR shall not initiate any legal proceedings in any State or Federal Court in addition to, or in lieu of, said Chapter 53 proceedings.

18.2 The Agreement shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Agreement to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that Chapter 53 of the Connecticut General Statutes does not apply and to the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims, as defined in the Indemnification Section of this Agreement, in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

18.3 The parties each bind themselves, their partners, successors, assigns, and legal representatives with respect to all covenants of this Agreement.

18.4 This Agreement incorporates all the understandings of the parties and supersedes any and all agreements reached by the parties prior to the effective date of this



Agreement, whether oral or written.

18.5 If any provision of this Agreement, or application to any party or circumstances, is held invalid by any court of competent jurisdiction, the balance of the provisions of this Agreement, or their application to any party or circumstances, shall not be affected, but only if the balance of the provisions of this Agreement would then continue to conform to the requirements of applicable laws.

18.6 The EXCHANGE and the CONTRACTOR shall not be excused from their obligation to perform in accordance with the Agreement except in the case of force majeure events and as otherwise provided for in the Agreement. In the case of any such exception, the nonperforming party shall give immediate written notice to the other, explaining the cause and probable duration of any such nonperformance. "Force majeure events" means events that materially affect the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the CONTRACTOR, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the CONTRACTOR, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.

18.7 The CONTRACTOR shall not refer to services provided to the State for advertising or promotional purposes, including, but not limited to, posting any material or data on the Internet, without the EXCHANGE's prior written approval.

18.8 The CONTRACTOR shall notify the EXCHANGE in writing no later than ten (10) days from the effective date of any change in (1) its certificate of incorporation or other organizational document, or (2) a controlling interest in the ownership of the CONTRACTOR. No such change shall relieve the CONTRACTOR of any responsibility for the accuracy and completeness of the performance. The CONTRACTOR shall deliver such documents to the EXCHANGE in accordance with the terms of the EXCHANGE's written request. The EXCHANGE may also require, and the CONTRACTOR shall deliver, a financial statement showing that solvency of the CONTRACTOR is maintained.

18.9 The parties shall provide such information, execute and deliver any instruments and documents and take such other actions as may be necessary or reasonably requested by the other party which are not inconsistent with the provisions of this Agreement and which do not involve the vesting of rights or assumption of obligations other than those provided for in the Agreement, in order to give full effect to the Agreement and to carry out the intent of the Agreement.

18.10 The CONTRACTOR shall maintain accurate Records and shall make all of the Records available at all reasonable hours for audit and inspection by the State. This includes, but is not limited to accurate records and accounts of all expenditures under this Agreement as well as satisfactory evidence of payment to assure proper accounting. Such records and accounts shall be kept in the manner specified in the Representations and Warranties Section, and made available for six years after the termination of this Agreement and shall be made available and furnished upon request to the EXCHANGE or its designee on or before the tenth business day following the date of the written request. The CONTRACTOR will cooperate fully with any and all audit or review of billing by the EXCHANGE or any other agency, person, or entity acting on behalf of the EXCHANGE, and shall, upon request, provide billing in a format which will facilitate audit or review.

18.11 The CONTRACTOR shall continue to perform its obligations under the

Agreement while any dispute concerning the Agreement is being resolved.

18.12 The CONTRACTOR shall be responsible for the entire performance under the Agreement. The CONTRACTOR shall be the sole point of contact concerning the management of the Agreement, including performance and payment issues. The CONTRACTOR is solely and completely responsible for adherence by the CONTRACTOR Agents to all applicable provisions of the Agreement.

18.13 The waiver of a term or condition by the EXCHANGE or its designee shall not (i) entitle the CONTRACTOR to any future waivers of the same or different terms or conditions; (ii) impose any duties, obligations or responsibilities on the EXCHANGE or any Department not already in the Agreement, as amended, modified or superseded; or (iii) subject the EXCHANGE or the State of Connecticut or any department or agency thereof to any Claims.

18.14 If a disagreement arises between the parties to this Agreement as to whether or not the CONTRACTOR has or may in the foreseeable future have a conflict of interest or there exists or may exist in the foreseeable future an appearance of impropriety, the EXCHANGE'S determination shall be final and dispositive of the issue. Where the EXCHANGE determines that the CONTRACTOR'S representation of any client constitutes a conflict of interest, or creates an appearance of impropriety, the CONTRACTOR shall, within five days of the posting of notice by the EXCHANGE or its designee to the CONTRACTOR, withdraw from the representation of the client, unless such a withdrawal is barred by law or order of a court of competent jurisdiction or the EXCHANGE waives such conflict. Nothing in this subsection shall be construed as restricting or otherwise limiting CONTRACTOR'S rights under the Termination and Cancellation Section of this Agreement.

18.15 Unless the EXCHANGE designates otherwise in writing, all Records generated or collected by the CONTRACTOR, the CONTRACTOR'S agent or any subcontractor, in the scope of their work under this Agreement are the exclusive property of the State of Connecticut and no one else shall have any right, including but not limited to, intellectual property, copyright and trademark rights, in those Records.

18.16 The CONTRACTOR acknowledges that the EXCHANGE has relied upon all of CONTRACTOR'S representations in its proposal, submitted in response to the EXCHANGE'S Request for Proposals concerning this matter and all subsequent information supplied to the EXCHANGE in writing thereafter, as the basis for entering into this Agreement with the CONTRACTOR. Any material misrepresentation, omission, mistake or error in those submittals shall be deemed to be a breach of this Agreement, which the EXCHANGE may, in its sole discretion, waive or afford the CONTRACTOR the opportunity to cure in accordance with the written notice of such breach sent to the CONTRACTOR.

18.17 References in the masculine gender shall also be construed to apply to the feminine and neuter genders, as the content requires.

18.18 The parties acknowledge and agree that nothing in the EXCHANGE's request for proposals or the Agreement shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Agreement. To the extent that

this Section conflicts with any other section, this Section shall govern.

18.19 Any notice required or permitted to be given under this Agreement shall be deemed to be given when hand delivered or one (1) business day after pickup by any express delivery service, in either case addressed to the persons identified in the Agreement Administration Section of this Agreement, or in each case to such other person and/or address as either party may from time to time designate by giving notice in writing to the other party. Telephone and facsimile numbers are for informational purposes only. Effective notice will be deemed given only as provided above. All notices, demands, requests, consents, approvals or other communications required or permitted to be given or which are given with respect to this Agreement (for the purpose of this Section collectively called "Notices") shall be deemed to have been effected at such time as the notice is placed in the U.S. mail, first class and postage pre-paid, return receipt requested, or, placed with a recognized, express delivery service that provides for a return receipt. All such Notices shall be in writing and shall be addressed as follows:

If to the EXCHANGE:

Connecticut Health Insurance Exchange  
450 Capitol Avenue  
MS#52LTC  
Hartford, CT 06106  
Attention: Amy Tibor

If to the CONTRACTOR:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

18.20 The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope of content of any of its provisions.

18.21 Time is of the essence in this Agreement.

18.22 This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed five (5) counterparts of this Agreement.

\_\_\_\_\_

Date

By: \_\_\_\_\_

CONNECTICUT HEALTH INSURANCE EXCHANGE

\_\_\_\_\_

By: \_\_\_\_\_  
Lieutenant Governor  
CHAIR

**APPENDIX B  
TO PROFESSIONAL SERVICES AGREEMENT  
OPM ETHICS FORM 1**



**STATE OF CONNECTICUT  
GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION**

*Certification to accompany a State contract with a value of \$50,000 or more in a calendar or fiscal year, pursuant to C.G.S. §§ 4-250 and 4-252(c); Governor M. Jodi Rell's Executive Orders No. 1, Para. 8, and No. 7C, Para. 10; and C.G.S. §9-612(g)(2), as amended by Public Act 07-1*

**INSTRUCTIONS:**

Complete all sections of the form. Attach additional pages, if necessary, to provide full disclosure about any lawful campaign contributions made to campaigns of candidates for statewide public office or the General Assembly, as described herein. Sign and date the form, under oath, in the presence of a Commissioner of the Superior Court or Notary Public. Submit the completed form to the awarding State agency at the time of initial contract execution (and on each anniversary date of a multi-year contract, if applicable).

**CHECK ONE:**     Initial Certification                       Annual Update (Multi-year contracts only.)

**GIFT CERTIFICATION:**

As used in this certification, the following terms have the meaning set forth below:

- 1) "Contract" means that contract between the State of Connecticut (and/or one or more of its agencies or instrumentalities) and the Contractor, attached hereto, or as otherwise described by the awarding State agency below;
- 2) If this is an Initial Certification, "Execution Date" means the date the Contract is fully executed by, and becomes effective between, the parties; if this is an Annual Update, "Execution Date" means the date this certification is signed by the Contractor;
- 3) "Contractor" means the person, firm or corporation named as the contractor below;
- 4) "Applicable Public Official or State Employee" means any public official or state employee described in C.G.S. §4-252(c)(1)(i) or (ii);
- 5) "**Gift**" has the same meaning given that term in C.G.S. § 4-250(1);
- 6) "Planning Start Date" is the date the State agency began planning the project, services, procurement, lease or licensing arrangement covered by this Contract, as indicated by the awarding State agency below; and
- 7) "Principals or Key Personnel" means and refers to those principals and key personnel of the Contractor, and its or their agents, as described in C.G.S. §§ 4-250(5) and 4-252(c)(1)(B) and (C).

I, the undersigned, am the official authorized to execute the Contract on behalf of the Contractor. I hereby certify that, between the Planning Start Date and Execution Date, neither the Contractor nor any Principals or Key Personnel has made, will make (or has promised, or offered, to, or otherwise indicated that he, she or it will, make) any **Gifts** to any Applicable Public Official or State Employee.

I further certify that no Principals or Key Personnel know of any action by the Contractor to circumvent (or which would result in the circumvention of) the above certification regarding **Gifts** by providing for any other principals, key personnel, officials, or employees of the Contractor, or its or their agents, to make a **Gift** to any Applicable Public Official or State Employee. I further certify that the Contractor made the bid or proposal for the Contract without fraud or collusion with any person.

**CAMPAIGN CONTRIBUTION CERTIFICATION:**

I further certify that, on or after December 31, 2006, neither the Contractor nor any of its principals, as defined in C.G.S. § 9-612(g)(1), has made any **campaign contributions** to, or solicited any contributions on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support, any candidate for statewide public office, in violation of C.G.S. § 9-612(g)(2)(A). I further certify that **all lawful campaign contributions** that have been made on or after December 31, 2006 by the Contractor or any of its principals, as defined in C.G.S. § 9-612(g)(1), to, or solicited on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support any candidates for statewide public office or the General Assembly, are listed below:



**STATE OF CONNECTICUT  
GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION**

**Lawful Campaign Contributions to Candidates for Statewide Public Office:**

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

**Lawful Campaign Contributions to Candidates for the General Assembly:**

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

\_\_\_\_\_  
Printed Contractor Name

\_\_\_\_\_  
**Signature of Authorized Official**

**Subscribed and acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.**

\_\_\_\_\_  
**Commissioner of the Superior Court (or Notary Public)**

**For State Agency Use Only**

_____	_____
Awarding State Agency	Planning Start Date
_____	
Contract Number or Description	



# APPENDIX D TO REQUEST FOR PROPOSALS

## CHRO EMPLOYMENT INFORMATION FORM

### COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES CONTRACT COMPLIANCE REGULATIONS NOTIFICATION TO BIDDERS

The contract to be awarded is subject to contract compliance requirements mandated by Sections 4a-60 and 4a-60a of the Connecticut General Statutes; and, when the awarding agency is the State, Sections 46a-71(d) and 46a-81i(d) of the Connecticut General Statutes. There are Contract Compliance Regulations codified at Section 46a-68j-21 through 43 of the Regulations of Connecticut State Agencies, which establish a procedure for awarding all contracts covered by Sections 4a-60 and 46a-71(d) of the Connecticut General Statutes.

According to Section 46a-68j-30(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance requirements has an obligation to "aggressively solicit the participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials." "Minority business enterprise" is defined in Section 4a-60 of the Connecticut General Statutes as a business wherein fifty-one percent or more of the capital stock, or assets belong to a person or persons: "(1) Who are active in daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are members of a minority, as such term is defined in subsection (a) of Section 32-9n." "Minority" groups are defined in Section 32-9n of the Connecticut General Statutes as "(1) Black Americans . . . (2) Hispanic Americans . . . (3) persons who have origins in the Iberian Peninsula . . . (4) Women . . . (5) Asian Pacific Americans and Pacific Islanders; (6) American Indians . . ." An individual with a disability is also a minority business enterprise as provided by Section 4a-60g of the Connecticut General Statutes. The above definitions apply to the contract compliance requirements by virtue of Section 46a-68j-21(11) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder's qualifications under the contract compliance requirements:

- (a) the bidder's success in implementing an affirmative action plan;
- (b) the bidder's success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (c) the bidder's promise to develop and implement a successful affirmative action plan;
- (d) the bidder's submission of employment statistics contained in the "Employment Information Form", indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- (e) the bidder's promise to set aside a portion of the contract for legitimate minority business enterprises. See Section 46a-68j-30(10)(E) of the Contract Compliance Regulations.

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### INSTRUCTIONS AND OTHER INFORMATION

The following **BIDDER CONTRACT COMPLIANCE MONITORING REPORT** must be completed in full, signed, and submitted with the bid for this contract. The contract awarding agency and the Commission on Human Rights and Opportunities will use the information contained thereon to determine the bidders compliance to Sections 4a-60 and 4a-60a CONN. GEN. STAT., and Sections 46a-68j-23 of the Regulations of Connecticut State Agencies regarding equal employment opportunity, and the bidders' good faith efforts to include minority business enterprises as subcontractors and suppliers for the work of the contract.

#### 1) Definition of Small Contractor

Section 4a-60g CONN. GEN. STAT. defines a small contractor as a company that has been doing business under the same management and control and has maintained its principal place of business in Connecticut for a one year period immediately prior to its application for certification under this section, had gross revenues not exceeding ten million dollars in the most recently completed fiscal year, and at least fifty-one percent of the ownership of which is held by a person or persons who are active in the daily affairs of the company, and have the power to direct the management and policies of the company, except that a nonprofit corporation shall be construed to be a small contractor if such nonprofit corporation meets the requirements of subparagraphs (A) and (B) of subdivision 4a-60g CONN. GEN. STAT.



2) Description of Job Categories (as used in Part IV Bidder Employment Information) (Page 2)

<p><b>MANAGEMENT:</b> Managers plan, organize, direct, and control the major functions of an organization through subordinates who are at the managerial or supervisory level. They make policy decisions and set objectives for the company or departments. They are not usually directly involved in production or providing services. Examples include top executives, public relations managers, managers of operations specialties (such as financial, human resources, or purchasing managers), and construction and engineering managers.</p> <p><b>BUSINESS AND FINANCIAL OPERATIONS:</b> These occupations include managers and professionals who work with the financial aspects of the business. These occupations include accountants and auditors, purchasing agents, management analysts, labor relations specialists, and budget, credit, and financial analysts.</p> <p><b>COMPUTER SPECIALISTS:</b> Professionals responsible for the computer operations within a company are grouped in this category. Examples of job titles in this category include computer programmers, software engineers, database administrators, computer scientists, systems analysts, and computer support specialists</p> <p><b>ARCHITECTURE AND ENGINEERING:</b> Occupations related to architecture, surveying, engineering, and drafting are included in this category. Some of the job titles in this category include electrical and electronic engineers, surveyors, architects, drafters, mechanical engineers, materials engineers, mapping technicians, and civil engineers.</p> <p><b>OFFICE AND ADMINISTRATIVE SUPPORT:</b> All clerical-type work is included in this category. These jobs involve the preparing, transcribing, and preserving of written communications and records; collecting accounts; gathering and distributing information; operating office machines and electronic data processing equipment; and distributing mail. Job titles listed in this category include telephone operators, payroll clerks, bill and account collectors, customer service representatives, files clerks, dispatchers, shipping clerks, secretaries and administrative assistants, computer operators, mail clerks, and stock clerks.</p>	<p><b>BUILDING AND GROUNDS CLEANING AND MAINTENANCE:</b> This category includes occupations involving landscaping, housekeeping, and janitorial services. Job titles found in this category include supervisors of landscaping or housekeeping, janitors, maids, grounds maintenance workers, and pest control workers.</p> <p><b>CONSTRUCTION AND EXTRACTION:</b> This category includes construction trades and related occupations. Job titles found in this category include boilermakers, masons (all types), carpenters, construction laborers, electricians, plumbers (and related trades), roofers, sheet metal workers, elevator installers, hazardous materials removal workers, paperhangers, and painters. Paving, surfacing, and tamping equipment operators; drywall and ceiling tile installers; and carpet, floor and tile installers and finishers are also included in this category. First line supervisors, foremen, and helpers in these trades are also grouped in this category..</p> <p><b>INSTALLATION, MAINTENANCE AND REPAIR:</b> Occupations involving the installation, maintenance, and repair of equipment are included in this group. Examples of job titles found here are heating, ac, and refrigeration mechanics and installers; telecommunication line installers and repairers; heavy vehicle and mobile equipment service technicians and mechanics; small engine mechanics; security and fire alarm systems installers; electric/electronic repair, industrial, utility and transportation equipment; millwrights; riggers; and manufactured building and mobile home installers. First line supervisors, foremen, and helpers for these jobs are also included in the category.</p> <p><b>MATERIAL MOVING WORKERS:</b> The job titles included in this group are Crane and tower operators; dredge, excavating, and lading machine operators; hoist and winch operators; industrial truck and tractor operators; cleaners of vehicles and equipment; laborers and freight, stock, and material movers, hand; machine feeders and offbearers; packers and packagers, hand; pumping station operators; refuse and recyclable material collectors; and miscellaneous material moving workers.</p>
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3) Definition of Racial and Ethnic Terms (as used in Part IV Bidder Employment Information)

<p><u>White</u> (not of Hispanic Origin)- All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.</p> <p><u>Black</u>(not of Hispanic Origin)- All persons having origins in any of the Black racial groups of Africa.</p> <p><u>Hispanic</u>- All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.</p>	<p><u>Asian or Pacific Islander</u>- All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes China, India, Japan, Korea, the Philippine Islands, and Samoa.</p> <p><u>American Indian or Alaskan Native</u>- All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.</p>
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PART IV - Bidder Employment Information

Date:

(Page 4)

JOB CATEGORY	OVERALL TOTALS	WHITE (not of Hispanic origin)		BLACK (not of Hispanic origin)		HISPANIC		ASIAN or PACIFIC ISLANDER		AMERICAN INDIAN or ALASKAN NATIVE	
		Male	Female	Male	Female	Male	Female	Male	Female	male	female
Management											
Business & Financial Ops											
Computer Specialists											
Architecture/Engineering											
Office & Admin Support											
Edg/ Grounds Cleaning/Maintenance											
Construction & Extraction											
Installation, Maintenance & Repair											
Material Moving Workers											
TOTALS ABOVE											
Total One Year Ago											
FORMAL ON THE JOB TRAINEES (ENTER FIGURES FOR THE SAME CATEGORIES AS ARE SHOWN ABOVE)											
Apprentices											
Trainees											

PART V - Bidder Hiring and Recruitment Practices

1. Which of the following recruitment sources are used by you? (Check yes or no, and report percent used)				2. Check (X) any of the below listed requirements that you use as a hiring qualification  (X)		3. Describe below any other practices or actions that you take which show that you hire, train, and promote employees without discrimination	
SOURCE	YES	NO	% of applicants provided by source				
State Employment Service				Work Experience			
Private Employment Agencies				Ability to Speak or Write English			
Schools and Colleges				Written Tests			
Newspaper Advertisement				High School Diploma			
Walk Ins				College Degree			
Present Employees				Union Membership			
Labor Organizations				Personal Recommendation			
Minority/Community Organizations				Height or Weight			
Others (please identify)				Car Ownership			
				Arrest Record			
				Wage Garnishments			

Certification (Read this form and check your statements on it CAREFULLY before signing). I certify that the statements made by me on this BIDDER CONTRACT COMPLIANCE MONITORING REPORT are complete and true to the best of my knowledge and belief, and are made in good faith. I understand that if I knowingly make any misstatements of facts, I am subject to be declared in non-compliance with Section 4a-50, 4a-50a, and related sections of the CONN. GEN. STAT.

(Signature)	(Title)	(Date Signed)	(Telephone)
-------------	---------	---------------	-------------



Sworn and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Commissioner of the Superior Court  
or Notary Public





STATE OF CONNECTICUT  
NONDISCRIMINATION CERTIFICATION — Representation  
By Entity  
For Contracts Valued at Less Than \$50,000

*Written representation that complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended*

**INSTRUCTIONS:**

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with the State of Connecticut valued at less than \$50,000 for each year of the contract. Complete all sections of the form. Submit to the awarding State agency prior to contract execution.

**REPRESENTATION OF AN ENTITY:**

I, \_\_\_\_\_, \_\_\_\_\_, of \_\_\_\_\_,  
Authorized Signatory Title Name of Entity

an entity duly formed and existing under the laws of \_\_\_\_\_,  
Name of State or Commonwealth

represent that I am authorized to execute and deliver this representation on behalf of

\_\_\_\_\_ and that \_\_\_\_\_  
Name of Entity Name of Entity

has a policy in place that complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name



STATE OF CONNECTICUT
NONDISCRIMINATION CERTIFICATION — Affidavit
By Entity
For Contracts Valued at \$50,000 or More

Documentation in the form of an affidavit signed under penalty of false statement by a chief executive officer, president, chairperson, member, or other corporate officer duly authorized to adopt corporate, company, or partnership policy that certifies the contractor complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended

INSTRUCTIONS:

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with the State of Connecticut valued at \$50,000 or more for any year of the contract. Complete all sections of the form. Sign form in the presence of a Commissioner of Superior Court or Notary Public. Submit to the awarding State agency prior to contract execution.

AFFIDAVIT:

I, the undersigned, am over the age of eighteen (18) and understand and appreciate the obligations of an oath. I am [Signature] of [Name of Entity], an entity Signatory's Title Name of Entity
duly formed and existing under the laws of [Name of State or Commonwealth].

I certify that I am authorized to execute and deliver this affidavit on behalf of [Name of Entity] and that [Name of Entity] Name of Entity
has a policy in place that complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

Authorized Signatory

Printed Name

Sworn and subscribed to before me on this [ ] day of [ ], 20 [ ].

Commissioner of the Superior Court/ Notary Public

Commission Expiration Date





STATE OF CONNECTICUT
NONDISCRIMINATION CERTIFICATION — New Resolution
By Entity
For Contracts Valued at \$50,000 or More

Documentation in the form of a corporate, company, or partnership policy adopted by resolution of the board of directors, shareholders, managers, members or other governing body of a contractor that certifies the contractor complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended

INSTRUCTIONS:

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with the State of Connecticut valued at \$50,000 or more for any year of the contract. Complete all sections of the form. Submit to the awarding State agency prior to contract execution.

CERTIFICATION OF RESOLUTION:

I, \_\_\_\_\_, \_\_\_\_\_, of \_\_\_\_\_,
Authorized Signatory Title Name of Entity
an entity duly formed and existing under the laws of \_\_\_\_\_,
Name of State or Commonwealth

certify that the following is a true and correct copy of a resolution adopted on the \_\_\_\_ day of
\_\_\_\_\_, 20\_\_\_\_ by the governing body of \_\_\_\_\_,
Name of Entity

in accordance with all of its documents of governance and management and the laws of
\_\_\_\_\_, and further certify that such resolution has not been
Name of State or Commonwealth
modified or revoked, and is in full force and effect.

RESOLVED: That the policies of \_\_\_\_\_ comply
Name of Entity
with the nondiscrimination agreements and warranties of Connecticut General
Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

The undersigned has executed this certificate this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Authorized Signatory

Date

Printed Name



**STATE OF CONNECTICUT**  
**NONDISCRIMINATION CERTIFICATION — Prior Resolution**  
**By Entity**  
**For Contracts Valued at \$50,000 or More**

*Documentation in the form of a corporate, company, or partnership policy adopted by a prior resolution of the board of directors, shareholders, managers, members or other governing body of a contractor that certifies the contractor complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended*

**INSTRUCTIONS:**

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with the State of Connecticut valued at \$50,000 or more for any year of the contract. Complete all sections of the form. Attach copy of previously adopted resolution (*State of CT, Nondiscrimination Certification, Form D: New Resolution*). Submit all documentation to the awarding State agency prior to contract execution.

**CERTIFICATION OF PRIOR RESOLUTION:**

I, the undersigned, am a duly authorized corporate officer or member of \_\_\_\_\_.  
Name of Entity

I have reviewed the attached prior resolution. I certify that:

- (1) the attached prior resolution complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended; and
- (2) the prior resolution remains in full force and effect on the date this documentation is submitted to the awarding State agency.

\_\_\_\_\_  
Authorized Signatory Title

\_\_\_\_\_  
Printed Name Date

**RESERVED FOR STATE USE**

I, the undersigned head of the awarding State agency, or designee, certify that the attached prior resolution complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

\_\_\_\_\_  
Signature of Agency Head (or designee) Date

\_\_\_\_\_  
Awarding State Agency

## APPENDIX G

# Guide to the Code of Ethics For Current or Potential State Contractors

## INTRODUCTION

The Connecticut Office of State Ethics (OSE) is an independent regulatory agency for the state of Connecticut, charged with administering and enforcing the Connecticut Codes of Ethics, located in the Connecticut General Statutes, Chapter 10.

The Ethics Codes under the OSE's jurisdiction are comprised of: The Code of Ethics for Public Officials (Part I); The Code of Ethics for Lobbyists (Part II); and Limited jurisdiction over Ethical Considerations Concerning Bidding and State Contracts (Part IV).

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. Please review the Advisory Opinions and Declaratory Rulings on our website or contact the Legal Division of the OSE with any questions regarding interpretation of the law.

For more information on the subjects discussed in this guide, call, write or visit:

**Connecticut Office of State Ethics**  
**18-20 Trinity Street Suite 205**  
**Hartford, CT 06106**

**860/263-2400 [www.ct.gov/ethics](http://www.ct.gov/ethics)**

### *Citizen's Ethics Advisory Board:*

**G. Kenneth Bernhard, Chairperson** (through September 2011) **Thomas H. Dooley, Vice Chairperson** (through September 2012) **Ernest Abate** (through September 2011)  
**Kathleen F. Bornhorst** (through September 2012)  
**Rebecca M. Doty** (through September 2011)  
**General David Gay, (ret.)** (through September 2013)  
**Dennis Riley** (through September 2013) **Winthrop Smith, Jr.** (through September 2013)  
**Shawn T. Wooden** (through September 2013)

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## THE OFFICE OF STATE ETHICS (OSE)

The Connecticut Office of State Ethics (OSE) was officially created on July 1, 2005, by Public Act 05-183. The governing body of the OSE is the Citizen's Ethics Advisory Board (CEAB), nine members appointed by the Governor and legislative leadership. The CEAB holds monthly meetings that are open to the public and that are often covered by CT-N. A schedule of CEAB meeting dates, times and locations is available on the OSE's Website, [www.ct.gov/ethics](http://www.ct.gov/ethics).

The OSE is an independent watch dog agency for the state of Connecticut that administers Connecticut General Statutes, Chapter 10, Parts I and II, with limited jurisdiction over Part IV.

Simply put, the OSE educates all those covered by the law (the "regulated community"); provides information to the public; interprets and applies the codes of ethics; and investigates potential violations, and otherwise enforces the codes.

The OSE is made up of the following components:

- Citizen's Ethics Advisory Board
- Executive Director
- Legal Division
- Enforcement Division

## THE BIG PICTURE

All state officials and employees (except judges) are covered by Part I of the Code of Ethics for Public Officials (hence forth, Part I, or the Code). It is important to remember that certain provisions of the Code also apply to public officials and state employees after they leave state service.

As you read through this guide be aware that these laws were enacted to prevent individuals from using their public position or authority for personal, financial benefit.

**Each state agency also has its own ethics policy, which in many cases may be more restrictive than what follows. Be sure to obtain a copy of the agency's policy before you attempt to provide any benefit to an agency official or employee.**

## GIVING BENEFITS TO STATE PERSONNEL

### Gifts

As a current or potential state contractor, you are presumably doing business with or seeking to do business with a state agency, and are therefore considered to be a **restricted donor**. In general, public officials, state employees and candidates for public office may not accept gifts from restricted donors.

#### Restricted Donors

Restricted donors include:

- Registered lobbyists (a list is available on the OSE's Website) or a lobbyist's representative;
- Individuals or groups doing business with a state department or agency;
- Individuals or groups seeking to do business with a state department or agency;
- Individuals or groups engaged in activities regulated by a state department or agency; or
- Contractors pre-qualified by the Connecticut Department of Administrative Services (Conn. Gen. Stat. § 4a-100).

A **gift** is defined as anything of value that is directly and personally received by a public official or state employee (or sometimes family members of those two categories) *unless* consideration of equal or greater value is provided. Conn. Gen. Stat. §1-79 (e).

Gift Exceptions There are, however, certain exceptions to this definition of gift. Not all exceptions are covered below; see Conn. Gen. Stat. § 1-79 (e) (1) –(17) for the complete list.

*Token Items* – Restricted donors such as current or potential state contractors may provide any item of value that is not more than \$10 (such as a pen, mug, or inexpensive baseball cap) to a public official or state employee, provided that the annual aggregate of such items from a single source is \$50 or less. Conn. Gen. Stat. § 1-79 (e) (16).

*Food and Beverage* – Restricted donors may also provide less than \$50 worth of food and beverage in a calendar year to a public official or state employee, provided that the restricted donor or his/her representative is in attendance when the food and/or beverage is being consumed. Conn.Gen.Stat.§1-79 (e) (9).

*Training* – Vendors may provide public officials and state employees with training for a product purchased by a state or quasi-public agency provided such training is offered to all customers of that vendor. Conn.Gen.Stat.§1-79 (e) (17).

*Gifts to the State* – Restricted donors may provide what are typically referred to as “gifts to the state.” These gifts are goods and services provided to a state agency or quasi-public agency for use on state or quasi-public agency property or that support an event, and which facilitate state or quasi-public action or functions. Conn. Gen. Stat. §1-79 (e) (5).

*Other Exceptions* – There are a total of 17 separate gift exceptions in the Code. Also exempt from the definition of gift are items such as informational materials germane to state action, ceremonial plaques or awards costing less than \$100, or promotional items, rebates or discounts also available to the general public. See Conn. Gen. Stat. § 1-79 (e) (1) – (17).

**Note:** The popularly-cited exception for major life events does not apply to those who are regulated by, doing business with or seeking to do business with a state agency. The only restricted donor that can make use of this very narrow exception is a registered lobbyist.

#### **Gift Provisions**

*Example: You are in the process of submitting a contracting bid to a state agency. You provide the agency head with a gift certificate for \$45 to a popular West Hartford eatery for her to use on her own. You have not previously given anything of value to this individual.*

*Even though you are under the permissible \$49.99 food and beverage limit, this gift is not allowed because you or your representative will not be in attendance while the food and beverage is being consumed.*

#### Reporting Requirements

Should you or your representative give something of \$10 or more in value to a public official or state employee, you must, within **10 days**, give the gift recipient and the head of that individual’s department or agency a written report stating:

- Name of the donor;
- Description of item(s) given;
- Value of such item(s); and
- Total cumulative value of all items to date given to that recipient during the calendar year.

This helps both you and the state employee keep track of the gift exceptions noted above, so that permissible limits are not exceeded. Conn. Gen. Stat. §1-84 (o). A courtesy form is available for this notification on the OSE’s Website, in the “Forms” section.



## Necessary Expenses

You may provide necessary expenses to a public official or state employee **only** if the official or employee, in his/her official capacity, is actively participating in an event by giving a speech or presentation, running a workshop, or having some other active involvement.

Necessary expenses are limited to:

- Travel (coach or economy class);
- Lodging (standard cost of room for the nights before, of, and
  - immediately following the event);
- Meals; and
- Related conference expenses.

Conn. Gen. Stat. § 1-79 (9).

Entertainment costs (tickets to sporting events, golf outings, night clubs, etc.) are **not** necessary expenses. Necessary expense payments also **do not** include payment of expenses for family members or other guests.

## Fees/Honorariums

Public officials and state employees may **not** accept fees or honorariums for an article, appearance, speech or participation at an event in their official capacity.

Fees or honorariums for such activities, if offered based solely on expertise and without any regard to official capacity, may be acceptable. Contact the OSE before offering such payment to an official or employee. Conn. Gen. Stat. §1-84(k).

### **Necessary Expenses, Fees and Honorariums**

*Example: You invite a state employee to travel to New York City to give a speech to your managers on issues surrounding contracting with a state agency. You provide Amtrak fare for the employee as well as his spouse, who will spend the day in the city. The evening of the speech, you will treat the employee and his spouse with complimentary tickets to a Broadway show in lieu of a speaking fee.*

*You may provide non-first class travel expenses only to the state employee who is actively participating in an event. In this case, you may only provide Amtrak fare for the employee giving the speech, not his spouse. Entertainment costs, such as tickets to a show, are not considered necessary expenses and may not be provided. Additionally, state employees may not accept fees or honorariums for a speech given in their official capacity.*

## HIRING STATE PERSONNEL

### Post-state Employment (Revolving Door)

If you are considering hiring a *former* state employee, you should be aware of the Code's post-state employment, or revolving door, provisions.

#### Lifetime Bans

- Former state employees may **never** disclose any confidential information they learned during the course of their state service for anyone's financial gain. Conn. Gen. Stat. § 1-84a.
- A former state official or employee may **never** represent anyone other than the state regarding a particular matter in which he or she was personally or substantially involved while in state service and in which the state has a substantial interest. This prevents side-switching. Conn. Gen. Stat. § 1-84b (a).

#### One-year Bans

- If you hire or otherwise engage the services of a former state official or employee, he or she may not represent you before his or her former agency for a period of **one year** after leaving state service. Conn. Gen. Stat. § 1-84b (b). (See Advisory Opinion 2003-3, which provides a limited exception to this provision if the employee is providing purely technical expertise to help implement a previously-awarded contract. This exception applies to extremely limited circumstances; contact the OSE for guidance.)
- You are prohibited from hiring a former state official or employee for a period of **one year** after he or she leaves state service if that individual was substantially involved in, or supervised, the negotiation or award of a contract (that you or your business was a party to) valued at \$50,000 or more, and the contract was signed within his or her last year of state service. Conn. Gen. Stat. § 1-84b(f).
- Employees who held certain specifically-designated positions (with significant decision-making or supervisory responsibility) at certain state regulatory agencies are prohibited from seeking or accepting employment with any business subject to regulation by the individual's agency within **one year** of leaving the agency. Likewise, such businesses may not hire those employees. Note that there is an exception for *ex-officio* board or commission members. Conn. Gen. Stat. § 1-84b (c).

***Post-state Employment Example: You run a hospital regulated by the Office of Health Care Access (OHCA). You would like to offer a job to the former Commissioner of OHCA, who has been out of state service for 5 months.***

***Because the hospital is regulated by a state agency whose Commissioner is specifically designated in 1-84b (c), the former head of such agency would not be permitted to accept employment with you for one full year after leaving state service. See Advisory Opinion 2003-19.***

## Outside Employment for Current Public Officials and State Employees

If you are considering hiring a *current* state employee, especially from a state agency with which you do business or by which you are regulated, you should be aware of the following rules regarding the employment of current state employees.

- A current state employee may not accept outside employment that impairs his or her independence of judgment regarding his or her state duties, or that encourages him or her to disclose confidential information learned in his or her state job. Conn. Gen. Stat. §1-84 (b).
- A current state employee may not use his or her state position for his or her own financial gain or the gain of his or her family (spouse, child, child's spouse, parent, brother or sister) or an associated business, however inadvertent that use may be. Conn. Gen. Stat. §1-84(c).

### Other Considerations

Business entities engaged in Indian gaming activities in the state should be aware of specific provisions that apply to present or former Gaming Policy Board or Division of Special Revenue public officials or employees. See Conn. Gen. Stat. §§1-84b (d) and (e).

## Outside Employment

*Example: Your small business occasionally receives grants or contracts from Agency X. You know that a particular contract manager with Agency X has the skills you need to help you grow your business. This employee has expressed interest in earning a little extra money for himself, while helping you with your business in the evenings and on weekends.*

*It would constitute an impermissible impairment of judgment for the employee of Agency X, who has contract management responsibilities, to accept outside employment with your business – a business that receives grants or contracts from Agency X.*

## OTHER PROVISIONS

### Prohibited Activities for Consultants or Independent Contractors

If you are hired by the state as a consultant or independent contractor, you are prohibited from the following:

- Using your authority under the contract or any confidential information acquired during the course of the contract for your financial gain or the financial gain of your immediate family;
- Accepting another state contract that would impair your independence of judgment or your performance in your existing state contract; and
- Accepting anything of value based on the understanding that your actions on behalf of the state would be influenced.

Conn. Gen. State § 1-86e (1)-(3); see also Conn. Gen. Stat. § 1-101nn.

### Gift and/or Campaign Contribution Certifications

Contractors seeking large state contracts must provide certifications regarding gifts and/or campaign contributions made to certain state employees or public officials in the two-year period prior to the submission of a bid or proposal. Copies of these certifications and other updated information regarding state contractors can be found on the Web sites of the Department of Administrative Services ([www.das.state.ct.us](http://www.das.state.ct.us)) and the Office of Policy and Management ([www.opm.state.ct.us](http://www.opm.state.ct.us)).

### Investment Services and the Office of the Treasurer

If you or your business provides investment services, as defined in the Code, and you make a political contribution to the State Treasurer's campaign, you may be prohibited from contracting with the Office of the Treasurer. See Conn.Gen.Stat.§1-84 (n).

### Registering as a Lobbyist

If you or your business spends or receives over \$2,000 in a calendar year for activities that constitute lobbying under Part II of the Code of Ethics (whether to affect legislation or the actions of an administrative state agency), you/your business may have to register as a lobbyist with the Office of State Ethics. Lobbyist registration information is available at [www.ct.gov/ethics](http://www.ct.gov/ethics).

### Contribution Ban for Communicator Lobbyists

(Conn. Gen. Stat. §9-610 (g) and (h).) Registered communicator lobbyists, their affiliated political action committees (PACs), as well as members of their immediate families are banned from soliciting or donating political campaign contributions. Please contact the State Elections Enforcement Commission at 860-256-2940 for more information.

## Sessional Contribution Ban for Client Lobbyists

(Conn. Gen. Stat. § 9-610 (e).) Registered lobbyists and their affiliated political action committees (PACs) are banned from soliciting or donating political campaign contributions. Specifically, there is a temporary ban while the General Assembly is in session that applies to all registered client lobbyists and their affiliated PACs. Please contact the State Elections Enforcement Commission at 860-256-2940 for more information.

## Public Act 05-287

Public Act 05-287 prohibits anyone who is a party (or seeking to become a party) to a large state construction, procurement, or consultant services contract over \$500,000 from:

- Soliciting information from a public official or state employee that is not available to other bidders for that contract, with the intent to obtain a competitive advantage;
- Intentionally or recklessly charging a state agency for work not performed or goods or services not provided;
- Falsifying invoices or bills; or
- Intentionally violating or circumventing state competitive bidding and ethics

This Act also requires any prospective state contractor to affirm in writing that he or she has received a summary of the state's ethics laws and that his or her key employees have read and understood the summary and agree to comply with the applicable provisions. Conn. Gen. Stat. § 1-101qq.

An affirmation form is available through the Connecticut Office of Policy and Management.

## Executive Orders

Executive Order 3 Under this Order, the Department of Administrative Services established and maintains on its Website the State Contracting Portal for purposes of posting all contracting opportunities with state agencies and providing information on contracting processes and procedures.

Executive Order 7C This Order covers the State Contracting Standards Board, established to conduct a comprehensive review of existing procurement and contracting laws and prepare a uniform code to govern all aspects of procurement and contracting.

The full text of these Executive Orders can be found on the Governor's Website, [www.ct.gov/governorrell/site/default.asp](http://www.ct.gov/governorrell/site/default.asp).

## FOR MORE INFORMATION

This guide provides general information only. The descriptions of the law and the OSE in this guide are not intended to be exhaustive. For more information regarding the Code of Ethics as it pertains to current or potential state contractors, please contact the Legal Division of the Office of State Ethics, Monday – Friday, 8:30 a.m. to 5:00 p.m.

**Office of State Ethics**  
**18-20 Trinity Street**  
**Hartford, CT 06106-1660**

**T: 860/263-2400**

**F: 860/263-2402 [www.ct.gov/ethics](http://www.ct.gov/ethics)**

### **Specific Contacts:**

Questions or advice regarding the Ethics Codes: [Ethics.Code@ct.gov](mailto:Ethics.Code@ct.gov)

Lobbyist filing/reporting questions: [lobbyist.OSE@ct.gov](mailto:lobbyist.OSE@ct.gov) Public official filing/reporting questions: [SFI.OSE@ct.gov](mailto:SFI.OSE@ct.gov) Enforcement questions: [Ethics.Enforcement@ct.gov](mailto:Ethics.Enforcement@ct.gov) All other inquiries: [ose@ct.gov](mailto:ose@ct.gov)

## APPENDIX H



CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION  
Rev. 1/11  
Page 1 of 2

### Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

This notice is provided under the authority of Connecticut General Statutes §9-612(g)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on the reverse side of this page).

#### CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract* or *state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall **knowingly solicit** contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor* or *principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

#### DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

#### PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

**Civil penalties**—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

**Criminal penalties**—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

#### CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may resulting the

contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seec](http://www.ct.gov/seec). Click on the link to "Lobbyist/Contractor Limitations."

CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION

Rev. 1/11

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## DEFINITIONS

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit

organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.



“Solicit” means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

“Subcontractor” means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor’s state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty first of the year in which the subcontract terminates. “Subcontractor” does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person’s capacity as a state or quasi-public agency employee.

“Principal of a subcontractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

**APPENDIX I**

**Cost Proposal:**

The required project deliverables below are described in more detail in the Scope of Services Appendix A. Each proposer must, at a minimum, address and provide each of the tasks identified below and in the Scope of Services section. The CONTRACTOR shall submit to the Exchange and OPM a detailed plan and budget containing the specific project deliverables below, but not limited to, a brief statement of the case or matter, a description of the nature and scope of the various phases of the services expected to be performed, an estimate of the cost of the work broken down into the various phases of the services, with a total cost not to exceed the maximum amount of this Agreement and an estimate of the time required to successfully complete the services.

<b>Project Deliverables</b>	
1.1b.	Develop by-laws and policies and procedures for the Exchange Authority.
1.1c.	Preparation of the necessary documentation to establish the Exchange Entity, e.g. tax identification numbers, tax status, etc.
1.1d.	Provide necessary state and federal Exchange operational compliance advice and guidance.
1.1e.	Preparation of personnel policies; hiring practices; employee handbook; affirmative action policy; employment rules.
1.1f.	Draft boilerplate contracts for use by the Exchange in contracting for necessary financial, legal or other professional services.
1.1g.	Assist in negotiation and drafting of employment contracts as needed.
1.1h.	Assist in negotiation and drafting of lease for office space for Exchange staff as needed.

**COST PROPOSAL FORM  
CONNECTICUT'S INSURANCE EXCHANGE PLANNING GRANT**

Using the format below, provide a budget for each of the deliverables identified in the Scope of Services. Cost proposals must not exceed \$153,500.00. The bidder is required to provide a detailed budget narrative as described above, which shall not exceed five pages.

Deliverable	Personnel (include job titles and hourly rates in budget narrative)	Fringe	Equipment	Supplies	Travel	Other (specify in budget narrative)	Indirect	Total
1.1b								
1.1c								
1.1d								
1.1e								
1.1f								
1.1g								
1.1h								
Other								
	Job Title	Hourly Rate*						
1.1i								
1.1j								
1.1k								
1.1l								
1.1m								

Total								
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\* If this rate is not all inclusive, please indicate otherwise.

\_\_\_\_\_  
Name of Contractor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date