

VIRGINIA INSURANCE CONTINUING EDUCATION BOARD

REQUEST FOR PROPOSALS

AMENDED RFP # VICEB 2020-1

Issue Date (Amended RFP): March 6, 2020



Sealed Proposals Shall Be Received Until 2:00 p.m., April 7, 2020

Note: The Virginia Insurance Continuing Education Board does not discriminate against faith-based organizations in accordance with the Code of Virginia § 2.2-4343.1 or against an offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment or by contract.

REQUEST FOR PROPOSALS

AMENDED RFP # VICEB 2020-1

Issue Date: March 2, 2020 (Original RFP); March 6, 2020 (Amended RFP)

Due Date/Time: April 7, 2020, 2:00 p.m.

Title: VIRGINIA INSURANCE CONTINUING EDUCATION PROGRAM
ADMINISTRATION

Commodity Code(s): 96102

Issuing Agency: VIRGINIA INSURANCE CONTINUING EDUCATION BOARD
C/O PATRICIA B. TURNER, ESQ.
411 E. FRANKLIN ST., SUITE 600
RICHMOND, VA 23219

Single Point of Contact (SPOC): John G. Lee, Board Chairman
540-273-5900
jglee@bankersinsurance.net

Period of Contract: For an initial term of September 1, 2020, through January 31, 2024, with two (2) two-year renewal options at the sole discretion of the Board.

SEALED PROPOSALS MUST BE RECEIVED BY THE PERSON NAMED BELOW AND AT THE ADDRESS SHOWN BELOW BY NO LATER THAN 2:00 P.M. ON APRIL 7, 2020. ANY PROPOSALS NOT PHYSICALLY RECEIVED BY THAT DATE AND TIME MAY BE REJECTED IN THE SOLE DISCRETION OF THE BOARD'S EVALUATION COMMITTEE.

Proposals should be mailed or hand-delivered to:

VIRGINIA INSURANCE CONTINUING EDUCATION BOARD
C/O PATRICIA B. TURNER, ESQ.
411 E. FRANKLIN ST., SUITE 600
RICHMOND, VA 23219

RFP-II

Virginia Insurance Continuing Education Board RFP #VICEB 2020-1

Timeline

The timetable below is provided for planning purposes only.

Activity	Target Completion Date
RFP issued and posted	March 2, 2020 (Original RFP) March 6, 2020 (Amended RFP)
Pre-proposal conference	March 10, 2020 9:30 AM Eastern
Deadline for Offeror questions*	March 13, 2020 9:30 AM Eastern
Answers to Offeror questions due	March 20, 2020 2:00 PM Eastern
Proposals due	April 7, 2020 2:00 PM Eastern
Evaluations of Proposals	April 7, 2020 – June 4, 2020
Notice of Intent to Award	June 5, 2020
Contract Award	June 15, 2020

Table 1 – Timeline of Events

*Questions should be received by the date and time specified. The Board cannot guarantee a response to any inquiry received after this date and time.

Optional Pre-Proposal Conference

There will be a pre-proposal conference held on Tuesday, March 10, 2020, at 9:30 a.m. at the offices of Spotts Fain PC, 411 East Franklin Street, Suite 600, Richmond, VA 23219. You may participate remotely using the following information: 1-201-616-0673, Access Code: 375439.

The pre-proposal conference is open to all interested Offerors, and attendance is strongly encouraged. There will be no opportunity for a private or individual conference. To participate in the pre-proposal conference, contact John Lee by email no later than Noon Eastern on March 6, 2020. In your email, please provide the name of the Offeror and name(s) of participating representative(s) and specify whether attendance will be in person or by phone.

Interested Offerors are encouraged to submit questions in writing by noon EST on March 6, 2020, prior to the pre-proposal conference. These questions will be answered as part of the pre-proposal conference as time allows. Answers provided orally at the pre-proposal conference are not binding and are intended to give temporary guidance to clarify uncertainties until, if necessary, a written answer is issued by the Board in the form of an RFP Addendum.

RFP-III

Virginia Insurance Continuing Education Board RFP #VICEB 2020-1

This page, as well as the responses to the items on the following page, or copies thereof containing an original signature, must be attached to and made a part of each Offeror's written proposal.

In compliance with this Request for Proposals and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

Name and Address of Offeror:

(Name of Offeror and Firm, if Any)

(Street Mailing Address of Offeror)

(City, State, Zip Code)

Date: _____

By: _____
(Print Name)

(Signature in Ink)

Title: _____

Telephone Number:(____) _____

Firm's Federal Employer Identification Number
(FEIN/EIN) or Taxpayer Identification Number
(TIN): _____

RFP-IV

Virginia Insurance Continuing Education Board RFP #VICEB 2020-1

OFFEROR DATA SHEET

(To Be Completed by Offeror)

***Responses should be attached to this page (or a copy thereof)
as part of proposal submission***

QUALIFICATIONS OF OFFEROR: The Offeror must have the capability and capacity in all respects in order to fully satisfy all contractual requirements.

OFFEROR OVERVIEW

1. **Years in business:** Indicate the length of time you have been in business and/or have been providing this type of administrative service:
_____years _____months
2. **Background and Experience:** Provide background and experience in providing this type of administrative service—in general and, specifically, continuing-education services—to boards and programs in general and specifically within the insurance industry.
3. **Corporate Identity:** If applicable, provide the identity of any parent corporation, including address, telephone and telefax numbers, Federal Employer Identification Number (FEIN/EIN) or Taxpayer Identification Number (TIN), company website, and contact email. Provide the same information for any subsidiaries of the Offeror, if applicable.
4. **Organization and Structure:** Provide an overview of the organizational operating structure and describe the operational and functional relationships of the business units of your organization as it relates to your proposal and the Board's stated needs and requirements. Organizational and operational charts are helpful supplements to your explanations.
5. **Locations:** Describe the geographical locations of your business at the national, regional, and local levels, as applicable, and identify all locations that will be used to support this contract and the operations handled from each of these locations.
6. **Strategic Relationships:** State any subcontractors and outsourced or contracted services, including software, to be used in performance of any contract resulting from this Request for Proposals.

FINANCIAL INFORMATION

7. **Total Annual Revenue:** State total annual revenue. Indicate the revenues associated with the provision of services relevant to your proposal.
8. **Dun and Bradstreet Comprehensive Report:** Please attach current report.
9. **Annual Reports:** Include your most recent annual report (or Audited Financial Statement if you are a privately held entity).

RFP-V

Virginia Insurance Continuing Education Board RFP #VICEB 2020-1

State Corporation Commission Form (REQUIRED)

Virginia State Corporation Commission (SCC) registration information.

The Offeror:

is a corporation or other business entity with the following SCC identification number:
_____ **-OR-**

is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust **-OR-**

is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the Offeror in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from Offeror's out-of-state location) **-OR-**

is an out-of-state business entity that is including with this bid an opinion of legal counsel which accurately and completely discloses Offeror's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia.

****NOTE**** >> Check the following box if you have not completed any of the foregoing options but currently have pending before the SCC an application for authority to transact business in the Commonwealth of Virginia as a business entity and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for bids (It is understood that the Board reserves the right to determine in its sole discretion whether to allow such waiver):

RFP-VI

Virginia Insurance Continuing Education Board RFP #VICEB 2020-1

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RFP-VIII

The following documents should be reviewed by all Offerors prior to submitting a proposal.

These documents may be accessed via the Internet at:

<http://www.virginiainsurancece.com>

- Virginia Continuing Education Requirements
- Virginia Insurance Continuing Education Board Agent Information Handbook (January 2019)
- Virginia Insurance Continuing Education Board Provider Information Handbook (January 2019)
- Agent FAQs
- Provider FAQs

RFP-IX

Virginia Insurance Continuing Education Board RFP #VICEB 2020-1

PURPOSE

The purpose of this Request for Proposals (“RFP”) is to solicit sealed proposals to establish a contract through competitive negotiations with a qualified source to administer and manage the continuing education program (“Program”) as established by the Virginia Insurance Continuing Education Board (“Board”).

SINGLE POINT OF CONTACT (SPOC)

Submit all inquiries concerning this RFP in writing by email with the subject “RFP # VICEB-2020-1” to:

SPOC: John G. Lee, Chairman
Email: jglee@bankersinsurance.net

Offerors must limit all contact, whether verbal or written, pertaining to this RFP to the designated SPOC for the duration of this procurement process. Failure to do so may jeopardize further consideration of the Offeror’s proposal.

BACKGROUND

The Virginia insurance agent continuing education (“CE”) requirements and the establishment of the Board by the Code of Virginia (the “Code”) (Sections 38.2-1866 through 38.2-1874) are set forth in Article 7 of Chapter 18 of Title 38.2. The current continuing education statutes, as well as amendments thereto that are effective January 1, 2021, are included as **Attachment A** to this RFP and should be reviewed thoroughly by all potential Offerors. Those statutes set forth, among other things, biennial course completion requirements that licensed insurance agents (who are referred to herein as “licensees”), whether resident or nonresident, must meet if they are to retain their Virginia insurance licenses.

As of February 11, 2020, there were approximately 51,000 resident licensees subject to Virginia’s CE requirements. Many of these licensees will comply with the requirements by some means other than completion of Virginia-approved courses, such as nonresident state reciprocity, meeting statutory exemption requirements—for example, holders of certain restricted licenses and those who were issued a license during the last 13 months of the applicable CE biennium are exempt from certain CE requirements—or obtaining a waiver of CE requirements.

The Board is appointed by the Virginia State Corporation Commission (“Commission”) but is a separate body and not a unit of the Commission or the Commission’s Bureau of Insurance (“Bureau”). The Board’s duties, however, are essential to the Commission’s performance of its statutory oversight obligations.

Among the important functions of the Board are the establishment and maintenance of continuing education Program standards, rules, procedures, fees, recordkeeping, and reporting requirements for Virginia’s licensed insurance agents. To this end, the Board desires to contract for the services of a professional administrator (“Administrator” or “Contractor”) to whom the Board will delegate many of the daily operational responsibilities necessary for the administration of the continuing education program. Included among the responsibilities of the Administrator

are (i) approval of courses, course providers/sponsors, and course instructors; (ii) collecting agents' continuing education credits and reporting the agents' status of compliance to the Commission; (iii) overseeing the daily operations of the Program; (iv) preparing and revising continuing education handbooks to be available online; (v) communicating with agents, including mailing periodic notices of compliance status to agents and responding to telephone and email inquiries from agents; (vi) handling requests for waivers and grievances and appeals of agents resulting from decisions or other actions taken by the Administrator or the Board; (vii) collecting and accounting for Program fees and managing the revenues and expenditures of the Program; and (viii) keeping the records of the Program. Additional detail of the tasks expected to be performed by the Administrator is provided in the "Statement of Needs" section. **Attachment B** to this RFP contains general statistical information regarding the activities of the Board and its Administrator for the 2017-2018 biennium.

This RFP covers all services to be provided by the Administrator with respect to the Program following recent legislative changes to the applicable Code sections, which changes become effective January 1, 2021. In its current form, the Code requires all insurance agents licensed in Virginia to complete their CE requirements by December 31 of each even-numbered year. Under the new law, the CE compliance period is aligned with the license renewal date, thereby allowing agents to renew their license *and* complete their CE requirements every two years by the end of their birth month based on odd/even year of birth.

There will, of necessity, be a period of overlap during which the Current Administrator will be providing services related to the end of the 2019-2020 biennium while the Administrator contracted pursuant to this RFP (if not the Current Administrator) will be providing services relating to the administration of the Program in its post-January 1, 2021, form. More specifically:

- The current calendar-year biennium (2019-2020) ends on December 31, 2020. For this biennium, licensees will be permitted to submit their proof of compliance with the CE requirements up through December 31, 2020. Following the 30-day appeal process, which ends January 31, 2021, and in which the Current Administrator plays a vital role, the Board has until February 15, 2021, to provide the final list of those agents in compliance to the Commission. It is thus anticipated that the Current Administrator's responsibilities for the 2019-2020 biennium will continue through at least mid-February 2021, though additional levels of appeal may extend the period of the Current Administrator's involvement, and responsibility for administration of matters relevant to the 2019-2020 biennium will continue to rest with the Current Administrator until all such responsibilities are completed.
- The Administrator contracted pursuant to this RFP is expected to begin providing course and instructor approval services on **September 1, 2020**, for courses to be offered on or after January 1, 2021, and—except for services related to the 2019-2020 biennium, which responsibility belongs to the Current Administrator—to assume all other responsibilities for services to be provided with respect to the Program.

The Current Administrator is contractually bound to provide all services and information and other forms of support needed during any transition period. In the event a new Administrator is selected as a result of this RFP, there will be numerous transition issues that will need to be addressed, including, without limitation, notifying parties of the Administrator change, handling and forwarding mail from the Current Administrator to the new Administrator, handling telephone

calls, and transferring Board records and other materials. Those submitting proposals will be expected to address these issues and to include a transition plan as part of any proposal submitted.

The Contractor will be expected to electronically transmit any and all Program data deemed pertinent by the Board and the Bureau to the Bureau's system of record vendor (note that the Bureau utilizes a third-party vendor, currently Vertafore, for data collection). The Contractor will provide the hardware and software required to accomplish the reporting and compliance requirements. Contractor is responsible for transmitting any data relating to the CE Program from its system to the Bureau's third-party vendor.

The Commonwealth welcomes and encourages proposals from certified small businesses and women-owned and minority-owned businesses, either as prime contractors or subcontractors to prime contractors. Where it is practicable for any portion of the awarded contract to be subcontracted to other contractors, the Contractor is encouraged to offer such business to certified small, women-owned, and minority-owned businesses. Submission of a plan and a report of past efforts to utilize the goods and services of such businesses and plans for involvement on any resulting contract under this RFP are required.

By submitting a proposal, Offerors certify that all information provided in response to this RFP is true and accurate. Failure to provide information required by this RFP may result in rejection of the proposal.

GLOSSARY OF TERMS

As used in this Request for Proposals:

“ADMINISTRATOR” OR “CONTRACTOR” – “Administrator” or “Contractor” refers to the Offeror to whom a contract is awarded as a result of this solicitation.

“BOARD” – “Board” means the Virginia Insurance Continuing Education Board, as created pursuant to § 38.2-1867 of the Code of Virginia.

“BUREAU” – “Bureau” means the Bureau of Insurance, which is a division of the Virginia State Corporation Commission.

“COMMISSION” – “Commission” means the Virginia State Corporation Commission.

“COMMONWEALTH” – “Commonwealth” means the Commonwealth of Virginia.

“CURRENT ADMINISTRATOR” – The “Current Administrator” refers to the Administrator currently contracted with the Board to provide services related to the 2019-2020 calendar year biennium.

“EVALUATION COMMITTEE” – “Evaluation Committee” means the committee established by the Board to evaluate proposals made in connection with this Request for Proposals, select Offerors deemed to be fully qualified and best suited among those submitting proposals, conduct

negotiations with the selected Offerors, and negotiate and award a contract to the Offeror the committee deems most qualified.

“MUST,” “SHALL,” “SHOULD,” AND “MAY” – The terms "must," "shall," "should," and “may” identify the criticality of requirements. "Must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or “may” are useful highly desirable but are not necessary. Depending on the overall response to the RFP, some individual "must" and "shall" items may not be fully satisfied, but it is the intent to satisfy most, if not all, "must" and "shall" requirements. The inability of an Offeror to satisfy a "must" or "shall" requirement does not automatically remove that Offeror from consideration; however, it may seriously affect the overall rating of the Offeror’s proposal.

“OFFEROR” – The “Offeror” is any person/firm making an offer by submitting a proposal in response to this Request for Proposals.

“PLAN OF OPERATION” - “Plan of Operation” refers to the plan adopted by the Board and approved by the Commission pursuant to Va. Code § 38.2-1874 and as amended from time to time.

“PROGRAM” – “Program” means the continuing insurance education program set forth in Title 38.2, Chapter 18, Article 7 of the Code of Virginia, and implemented by the Board’s policies, strategic plan, and plan of operation.

“RFP” – “RFP” means this solicitation, RFP # VICEB 2020-1, and any written amendments, supplements, and clarifications thereto.

STATEMENT OF NEEDS

The Board has, since its inception in 1993, adhered to the philosophy that two of the most vital precepts for administration of the insurance continuing education program are security of the information provided to and maintained by the Administrator and the overall integrity of the program itself. The Board has also consistently adhered to the philosophy that it is the responsibility of the licensee to assure his or her own compliance with the continuing education law and requirements adopted by the Board. The Board’s credo, then, is: “SECURITY, INTEGRITY, and AGENT RESPONSIBILITY.” Any proposal for administrative services must emphasize an understanding of, and adherence to, these three precepts.

Subject to the parameters set by the Board (and subject to such changes and modifications as the Board may direct), the Offeror chosen as the Administrator shall be required to:

1. Maintain, oversee, and enhance the Program in a manner so as to assure high quality continuing education for insurance agents licensed in Virginia that will conform to the requirements of Virginia’s insurance continuing education law as established by the Virginia Code §§ 38.2-1866 through -1874.
2. Report to the Board, on a quarterly basis or upon request, regarding best practices and changes in the insurance continuing education industry and in state or federal

regulation of insurance continuing education and recommend timely enhancements to the Program.

3. Maintain, oversee, and monitor the quality of the Program—including CE courses, providers, and instructors—to ensure adherence to the NAIC Continuing Education and Reciprocity Guidelines and those standards approved by the Board as follows:
 - a. review, evaluate, and approve or disapprove applications for—and assign credit hours to—new continuing education courses and programs of instruction in accordance with the guidelines and procedures developed by the Board and within 15 calendar days of receiving such applications;
 - Courses will be approved for a period of two years
 - Courses are eligible for one 2-year renewal and must be renewed by the last day of the month they were originally approved
 - After the renewal period, courses will need to go through the original approval process
 - Course approvals will follow the NAIC guidelines
 - b. review, evaluate, and approve or disapprove applications of CE course providers and course instructors in accordance with the guidelines and procedures developed by the Board and within 15 calendar days of receiving such applications;
 - c. conduct thorough on-site, web-based, and desktop audits of courses and instructors to determine adherence to Board standards and report results of such audits and investigations to the Board;
 - **Offerors are required to submit an audit plan that, at a minimum, reviews 3% of all active courses, reviews all active providers once every two years, and consists of classroom, webinar, self-study, and desk audits, though no more than 25% of such audits shall be desk audits.**
 - d. investigate complaints regarding approved courses and instructors and report results of such investigations to the Board; and
 - e. enforce Board guidelines for courses, instructors, and course providers by recommending withdrawal of approval or other appropriate sanctions for noncompliance and by carrying out such sanctions as may be approved by the Board.
4. Maintain and administer a system for receiving and responding to—and timely communicating with the Board regarding—hardship waiver requests, grievances, and appeals of the determination of noncompliance. Such system shall be consistent with any statutory requirements and the procedure specified by the Board in its Plan of Operation for responding to such communications.

5. Develop, design, format, prepare and transmit Program-related notices and communications as the Board deems necessary for the efficient operation of the Program and the discharge of the Administrator's duties under this contract.
6. Develop, design, and format new and existing Program forms as needed and as requested by the Board and ensure such forms are compatible with and available on the Bureau's website and other platforms and are readily accessible to users, in a user-friendly format, on various devices (e.g., computers, tablets, mobile phones, and other devices).
7. Collaborate with the Board, Bureau, and all other necessary parties to ensure that up-to-date CE resources—including, without limitation, the following Program materials—are maintained and available on the Bureau's website and that updates to such resources are timely prepared and posted on the website:
 - Virginia Insurance Continuing Education Agent Information Handbook;
 - A list of Agent Frequently Asked Questions ("FAQs");
 - Virginia Insurance Continuing Education Provider Information Handbook;
 - A list of Provider FAQs; and

The above-listed Program materials shall include information relating to the statutory provisions applicable to the Program and insurance CE in Virginia; statutory and Program requirements for CE compliance; the consequences of noncompliance; procedures relating to requests for waivers, appeals, and grievances; any applicable fees; CE compliance deadlines; and such other information and forms as may be deemed necessary and requested by the Board.

8. Deliver online services—including, without limitation, email and live chat services and access to CE transcripts—relating to the Program to facilitate CE inquiries and develop and maintain such other online resources and services as may be requested by the Board. Provide an online platform relating to the Program that is user-friendly, intuitive, and efficient for the end user and works effectively on computers, tablets, mobile phones, and other devices.
9. Maintain a toll-free telephone number dedicated solely to Program and associated inquiries, which number shall be transferable to a new Administrator should there be a transition from the Current Administrator during the term of or at the termination of this contract.
10. Provide automated means of reviewing Administrator's recordkeeping in general as well as specific Program records, including, without limitation, records and information relating to: the receipt and administration of Program fees; roster and individual reporting; requests for waivers, appeals, and grievances; use of Program forms; course and instructor audits; course and instructor records; course and instructor approvals, denials, and withdrawals of approval; course offering schedules; and such other Program information as may be requested by the Board from time to time.

11. Partner with the Bureau's third-party, system of record vendor (currently Vertafore) to maintain and update as necessary an automated recordkeeping system that can be accessed by licensees and course providers via secure means through the Internet for purposes of (i) reviewing, reporting, recording, and accumulating CE credit information of a licensee; (ii) reviewing, reporting, and recording completed course rosters; and (iii) reviewing, reporting, and recording waiver requests, grievances, appeals, and reciprocity requests. Such system must include a means of verifying both the date received and the date processed for each submission received from a course provider or licensee.
12. For the initial renewal cycle of Virginia licensees during the 37-month transition period (see Attachment B to this RFP), partner with the Bureau's third-party, system of record vendor (currently Vertafore) to generate and transmit a six-month rolling notification, by email and U.S. mail, prior to the end of the two-year renewal and CE compliance period set forth in subsection B of § 38.2-1868.1 and in §§ 38.2-1825.1 and 38.2-1840 of the Code of Virginia to the group of licensees who must complete their CE requirements by that date.
13. Partner with the Bureau's third-party, system of record vendor (currently Vertafore) to generate a one-time notification to all resident agents of the agent's renewal and CE completion date.
14. Partner with the Bureau's third-party, system of record vendor (currently Vertafore) to establish daily CE credit updates.
15. Maintain all Program records in accordance with any retention standards and policies established by the Board.
16. Create and implement a transition plan—in the event this RFP results in the contracting of a new Administrator—and perform such other tasks as may be required to ensure a timely and complete transition of Program administration from the Current Administrator in a manner that allows the Program to continue without interruption or undue confusion or inconvenience for the Board, the Commission, licensees, or course sponsors and instructors. Upon award of the contract resulting from this RFP, the successful Offeror shall submit, within 30 (thirty) days, a work/transition plan to the Board for review and approval. Please submit a sample work/transition plan if appropriate.
17. Create and implement a transition plan and otherwise facilitate and cooperate in the transition to a new Administrator at the end of the contractual period set forth in this RFP or in the event of termination of the contract for cause.
18. Present to the Board and its committees and to the Commission at least quarterly (and at such other times as may be required by the Board or the Commission) statements and reports setting forth the Program's transactions, operations, audits, records, finances, and affairs for such period of time and in such form or format as may be requested by the Board or the Commission.

19. Participate in all Board meetings and in committee meetings on request. Provide in person, at the Board's annual meeting, one or more senior or management-level representative—or other representative agreed to by the Board—with complete knowledge of the Program and the terms of this contract and capable of providing information required by the Board and its committees at the meeting for the discharge of their duties. Virtual attendance at all other meetings of the Board and its committees is acceptable. Unless otherwise agreed in writing, the cost of attendance of an Administrator representative at Board and committee meetings shall be at the Administrator's expense.
20. Maintain and provide the Board with a list of key Administrator personnel assigned to the administration of the Program. Such contact list shall include direct telephone and email contact information and shall be updated—and an updated list provided to the Board—immediately as changes occur.
21. Provide quality and timely service to the Board and its committees, the Commission, course providers/sponsors, course instructors, licensees, and others affected by the CE requirements and the Program—and comply with all Board standards and requirements concerning response times—in answering, responding to, and otherwise addressing applications and other Program-related inquiries and communications, and report, on request of the Board, average call wait times; call blocking rates; email inquiry response time; the number of online chats conducted and average response time and length of chat; and other similar benchmarks as are necessary to demonstrate Contractor's commitment to prompt and timely service.
22. Provide adequate notice to the Board and the Commission by email of any system-related implementation or upgrade, including a description of whether, how, and to what extent such implementation or upgrade will affect the Program. The notification should occur not later than two weeks *prior* to any implementation or upgrade.
23. Provide the Board with timely information regarding new services that are available for use in connection with the Program by the Board, the Commission, course providers and sponsors, course instructors, licensees, and others affected by the Program.
24. Provide personnel and equipment in and of sufficient quality and quantity to conduct and administer the Program in accordance with the standards approved by the Board.
25. Provide such other Program-related services as may be required and requested by the Board from time to time.

PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

GENERAL REQUIREMENTS

1. RFP Response: In order to be considered for selection, Offeror should submit a complete response to this RFP. Proposal shall be submitted as required in Sections V.B.1. (Proposal Format) and 2. (Proposal Organization) and as requested below, so marked, and sealed separately as follows:
 - a. One (1) complete **original** proposal contained in a single three-ring binder (do not include pricing) and one (1) **CD or USB flash/thumb drive** of the same in a Microsoft compatible file format. Clearly indicate the following on the sealed package, the three-ring binder, and the CD (or USB flash/thumb drive, as able):
 - Offeror name
 - *“Original Proposal”*
 - RFP #VICEB 2020-1
 - b. One (1) complete copy of **redacted copy** of Original Proposal (removing any proprietary data or material) contained in a single three-ring binder and one (1) **CD or USB flash/thumb drive** of the same. Clearly indicate the following on the sealed package, the three-ring binder, and the CD (or USB flash/thumb drive, as able):
 - Offeror name
 - *“Redacted Copy of Original Proposal”*
 - RFP #VICEB 2020-1
 - c. Four (4) **copies** of the Original Proposal contained in single three-ring binders. Clearly indicate the following on the sealed package and on each of the three-ring binders:
 - Offeror name
 - *“Original Proposal Copies”*
 - RFP #VICEB 2020-1
 - d. One (1) complete **Pricing Proposal** contained in a single three (3) ring binder and one (1) **CD or USB flash/thumb drive** of the same in a Microsoft compatible file format. Clearly indicate the following on the sealed package, the three (3) ring binder, and the CD (or USB flash/thumb drive, as able):
 - Offeror Name
 - *“Pricing Proposal”*
 - RFP #VICEB 2020-1

No other distribution of the proposal shall be made by the Offeror.

2. Proposal Preparation:

- a. The proposal shall be signed by a person(s) legally authorized to bind the Offeror to a contract. The proposal must contain the legal name of the Offeror and a statement as to whether the Offeror is a sole proprietor, a partnership, a corporation, a limited liability company, or any other legal entity. A proposal submitted by a legal agent of Offeror must have a current Power of Attorney attached certifying the agent's authority to bind the Offeror. The Offeror must include a statement that it is authorized to do business in the Commonwealth of Virginia.
- b. All information requested should be submitted. Failure to submit all information and in the format requested may result in the Board's Evaluation Committee (i) requiring prompt submission of missing information, (ii) giving a lowered evaluation of the proposal, or (iii) rejecting the proposal, all in the sole discretion of the Board's Evaluation Committee. Not submitting or agreeing to certain mandatory requirements, those required by law or regulation, shall result in the rejection of a proposal, as they cannot be waived and are not subject to negotiation.
- c. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- d. Ownership of all data, materials, and documentation originated and prepared for the Board's Evaluation Committee pursuant to the RFP shall belong exclusively to the Board and be subject to public inspection. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure; however, the Offeror must invoke the protections of § 2.2-4342(F) of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as underlining or highlighting and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and may result in rejection of the proposal.
- e. Upon award, the selected Offeror shall provide to the Board's Evaluation Committee one (1) hard copy of the entire RFP response, to include any negotiated changes, and one (1) hard copy redacted removing all proprietary information or material) of the entire RFP response to include any negotiated changes of the same.

3. Pricing Proposal: Offerors who submit a proposal in response to this RFP shall provide a description of the manner in which the Administrator proposes to be compensated for services rendered, including cost estimates on an annual basis. The pricing proposal must include a description of the manner in which such estimates were calculated and must contain sufficient information to support the reasonableness of the pricing proposal. Specific information on the projected costs for each component of the audit program discussed under “Specific Proposal Requirements” of this RFP should be included. The proposed fees to be charged to course providers and instructors should be specified.
4. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give a presentation of their proposal to the Evaluation Committee anytime after proposal submission. Such a presentation provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact-finding and explanatory session only and does not include negotiation. If deemed desirable, the Evaluation Committee will schedule the time and location of these presentations. Presentations are an option of the Evaluation Committee and may or may not be conducted.
5. Excluded Parties: Offerors may not be awarded a contract pursuant to this RFP if such offerors are excluded on the Commonwealth’s Debarment List, as provided by Code of Virginia § 2.2-4321, at the time of award.

SPECIFIC PROPOSAL FORMAT/ORGANIZATION/IDENTIFICATION

1. Proposal Format - Offerors are required to follow the Proposal Format for paper submissions and include all items indicated under Proposal Organization (reference 2. below) in their proposals:
 - Provide proposal in a three-ring binder.
 - Printed on white paper with dimensions of 8.5” X 11” with right and left margins of one (1) inch.
 - Use 12-point Times New Roman font.
 - All proposal sections must be separated by tabs to indicate specific proposal sections as requested in section 2 below.
 - All pages of the proposal should be numbered.
 - Each paragraph in the proposal should reference the paragraph number of the corresponding section, sub-letter, and repeat the text of the requirement as it appears in the RFP.
 - If a response covers more than one page, the paragraph number and sub-letter should be repeated at the top of the next page.
 - Information which the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted as directed in section 2 below and designated as additional material.
 - Proprietary or trade secret data or material (if any) must be specifically identified by including the specific proposal section(s) and page number(s) to be protected and state the reasons why protection is necessary (see § 2.2-4342(F) of the Code of Virginia).

- Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.

2. Proposal Organization – Proposals should adhere to the following outline and should not include any items not identified in the outline.

Original Proposal Organization - Binder 1

- Tab 1 – Pages RFP-III, RFP-IV, and RFP-V of this RFP, completed and signed, and any addenda thereto
- Tab 2 – Table of Contents
- Tab 3 – Proprietary Data: Listing of Proprietary Data referencing specific proposal section, page numbers, and reasons protection is needed (see § 2.2-4342(F) of the Code of Virginia).
- Tab 4 – Glossary of Terms and Abbreviations
- Tab 5 – Executive Summary
- Tab 6 – Responses to Section IV, Statement of Needs
- Tab 7 – Responses as outlined and required in Section V.C, *Specific Proposal Requirements* (2a-h).
- Tab 8 – Attachment B: Completed Small, Women-Owned, and Minority Business Participation information
- Tab 9 – Additional Material
- Tab 10 – Acceptance of Terms and Conditions

Pricing Proposal Format - Binder 2

- Pricing Proposal with supporting documentation.

3. Identification of Proposal Envelope(s): - The signed *Original* Proposal and CD, *Redacted* copy of Original Proposal and CD, *Copies* of Original Proposal, and *Pricing* Proposal and CD are required to be submitted in **separate sealed envelope(s) or package(s) for each and identified as follows:**

From: _____
Name of Offeror

April 7, 2020 2:00 PM
Due Date Time

Street or Box Number

VICEB 2020-1
RFP No.

City, State, Zip Code

Continuing Education Administration
RFP Title

*Contents: _____

(indicate contents of envelope as either **Original** Proposal, **Redacted Copy** of Original Proposal, **Copies** of Original Proposal, or **Pricing** Proposal.)

Name of Contract/Purchase Officer or Buyer: John G. Lee, Chairman

The envelope should be addressed as directed on Page RFP-I of the solicitation and identified as directed above. If a proposal is mailed, the Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised, which may cause the proposal to be disqualified. Proposals may be hand delivered to the designated location referenced on Page RFP-I. Timely delivery and documentation of acceptance of hand-deliveries remains with the Offeror. No other correspondence or other proposals should be placed in the envelope.

SPECIFIC PROPOSAL REQUIREMENTS

Proposals should be as thorough and detailed as possible so that the Evaluation Committee may properly evaluate the Offeror's capabilities to provide the required services. Offerors are required to submit the following items as a complete proposal:

1. Return the forms found on Pages RFP-III, RFP-IV, and RFP-V of this RFP, completed and signed as required.
2. A written statement that includes the following:
 - a) The statement should demonstrate the Offeror's ability to fulfill each of the requirements set forth in the Request for Proposals. Particular emphasis should be placed on prior experience in providing similar services. The proposal should contain the name, address, telephone number and contact person at each agency or other client for which the Offeror, whether under its own name or that of any predecessor-in-interest, provided similar administrative services in continuing education at any time during the five (5) years immediately preceding the date of this RFP. In addition, each proposal shall include references from at least two (2) nationally recognized continuing education providers that have submitted courses to the Offeror for review during the past two (2) years. Such references shall include the name, address, and business telephone number of a contact person at each such organization who would be willing and able to discuss the quality of service provided to his or her organization by

the Offeror during that time. References from any two (2) or more of the following will be acceptable, but the Offeror may submit references from additional national continuing education providers if it wishes to do so:

- Institute of Certified Financial Planners (CFP)
- College for Financial Planning
- National Association of Health Underwriters (NAHU)
- Health Insurance Association of America (HIAA)
- Life Office Management Association (LOMA)
- Life Underwriter Training Council (LUTC)
- Risk and Insurance Management Society (RIMS)
- CPCU Society
- Society of Financial Service Professionals (SFSP)
- The American College
- The Institutes
- Association for Advanced Life Underwriting (AALU)
- Million Dollar Round Table (MDRT)
- National Association of Professional Insurance Agents (PIA)
- Independent Insurance Agents and Brokers of America (IIABA)
- National Association of Insurance and Financial Advisors (NAIFA)
- International Society of Certified Employee Benefit Specialists (CEBS)

- b) CAPACITY - A thorough discussion of the Offeror's capacity to successfully provide the desired services and a detailed description of how the Offeror will provide each of those services. This discussion should also include service standard metrics for evaluating performance, to include but not limited to, course and instructor approval/disapproval times, average telephone call wait times, process cycle times, inquiry completion times, and the frequency of reporting of performance against the standards for all existing clients for which they provide insurance continuing education services
- c) STAFF - Identification of all professional staff to be assigned to the Program and this contract, with a description of the relevant experience of each. Professional resumes must be included for all proposed professional staff. The Offeror should identify who will provide each of the required services, describe the extent of their involvement in providing each service (i.e., what functions they will perform, etc.) and demonstrate their qualifications to render the service (or the part of the service that they will be assigned). In addition, the Offeror will be required to indicate for each proposed staff member its best estimate of the actual percentage of each proposed staff member's time that will be allocated to this contract,

and whether such time will be primarily technical, supervisory, oversight, or consulting. As part of this discussion, the Offeror shall identify any service required by this RFP for which the Offeror plans to use subcontractors. The Offeror should identify what types of services and the functions that will be performed by the contractor. The Offeror shall include a detail organization chart showing all personnel to be involved in the program, their reporting obligations, and location of each person.

- d) **AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH** - A statement that the Offeror is authorized to conduct business in the Commonwealth. A Contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described above that enters into a contract with a public body pursuant to the Virginia Public Procurement Act shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.
- e) **THIRD-PARTY RELATIONSHIP** - Identify any third-party vendor to be used in fulfilling the requirements of this RFP and detail the relationship with the third-party vendor, including length of the relationship, and services to be provided by the third-party vendor, and the transition plan for fulfilling all Program requirements to include electronic system replacement and/or enhancement should the relationship dissolve or the third party vendor ceases doing business.
- f) **ERROR CORRECTION** - A description of the process and personnel to be involved should the Offeror or the system used in fulfilling the Program requirements produce data requiring correction;
- g) **TRANSITION PLANS** - A description of the manner in which the Offeror, if not the current administrator, proposes to make the transition from the current Administrator; and a description of the manner in which the Offeror, if awarded this contract, would, if necessary, facilitate a transition to a different Administrator at the termination of the contractual period set forth in this RFP. This description should cover all steps involved in the plans to make the transition non-disruptive and should recognize and reconcile issues related to revenues/expenses allocation and accounting, transfer of

records, distribution of mail, telephone calls, and other interactions between the Offeror and the current or future Administrator, in the event of a change in Administrators.

- h) AUDIT PROGRAM – A description of the manner in which the Offeror proposes to audit the CE Program so as to ensure compliance by providers and instructors in presenting approved courses—whether by classroom, webinars, self-study, or other media—including the type and number or percentage of audits (*i.e.*, percentages of providers, courses, and instructors) to be utilized as necessary to maintain the Program’s integrity. Such plan shall, at a minimum, provide for the review of 3% of all active courses and all active providers once every two years and shall consist of classroom, webinar, self-study, and desk audits, though no more than 25% of such audits shall be desk audits.
- i) FACILITIES AND EQUIPMENT - A description of the facilities, equipment, and software that Offeror proposes to use to provide the required services.
- j) SMALL, WOMEN-OWNED, AND MINORITY-OWNED BUSINESS PARTICIPATION INFORMATION - A statement indicating whether Offeror is a certified small, women-owned, or minority-owned business, as defined in Section II of Attachment D to this RFP, and whether Offeror intends to utilize such businesses in the performance of any contract resulting from this RFP. Offeror must complete and return Attachment D to this RFP.
- k) AUTOMATED SYSTEM PLAN - A description of any integration or interface that the Offeror proposes to coordinate its automated systems with those of the Commission, with particular emphasis on coordination with the system of record, use of identifying numbers such as the National Producer Number (NPN), and the state licensing number and access to the producer database (PDB). The following should be provided by the Offeror and its subcontractor: software release standard, data backup procedures, off-site data storage and disaster recovery procedures; and other information deemed relevant by the Offeror. The plan shall include, but shall not be limited to, software release standards, data backup procedures, off-site data storage, and disaster recovery procedures.
- l) SYSTEM ASSURANCE & SECURITY – Describe the following: What are specific response and resolution timeframes for problem/error conditions; provide Service Level Agreement. Describe security functionalities for system administration are available (specify available privileges, *i.e.*, access and capability through database login and password function, define user’s access based on job function. Describe what security measures are in place

to protect the software and data from intrusion, viruses, and other forms of unauthorized access.

- m) **ADDITIONAL INFORMATION** - Any additional facts that the Offeror considers relevant to this RFP may be included.
- n) **CERTIFICATION** - A certification in which Offeror certifies that all information provided in response to this RFP is true and accurate.

- 3. A **Pricing Proposal** that includes a description of the manner in which the Offeror proposes to be compensated for services rendered, including cost estimates for labor, expenses, and overhead, on an annual basis. The pricing proposal must include a description of the manner in which such estimates were calculated and any assumptions regarding workload and work activity utilized in the development of the proposal. The proposed fees to be charged to course providers and instructors should be specified. The proposal must also address the issue of how the revenue and expense issues arising in the event of a change in the Administrator will be addressed, including a plan for addressing these issues.

It is in the sole discretion of the Evaluation Committee to reject a proposal that fails to provide information required by this RFP.

ORAL PRESENTATION

Oral presentations may be scheduled at the sole discretion of the Board's Evaluation Committee.

EVALUATION AND AWARD CRITERIA

EVALUATION CRITERIA

Proposals shall be evaluated by the Board's Evaluation Committee using the following criteria:

CRITERION	POINT VALUE
Experience of Offeror in providing similar administrative services in continuing education	
References from past and/or current commercial or government CE accounts and from CE course sponsors and providers	
Financial stability of Offeror and any identified subcontractors	
Demonstration, via the written proposal, that the Offeror has the ability, facilities, and capacity to provide all required services in a timely, efficient, and professional fashion,	

including viable front-end and back-end transition and implementation plans	
Proposed Program fees	
Minority Participation: Small, Women-Owned, and Minority-Owned Business Participation. (See Attachment B).	
TOTAL	100

AWARD OF CONTRACT; CONTRACT DOCUMENTS

The Board’s Evaluation Committee shall select two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation criteria included in the Request for Proposals, with emphasis on the qualifications and ability to provide the required services. Cost and fees will be considered but need not be the sole determining factor. Negotiations shall then be conducted between the Evaluation Committee and each of the Offerors so selected and shall include, without limitation, negotiations regarding the amount of compensation to be paid and the method and schedule of payments. After negotiations have been conducted with each Offeror so selected, the Board’s Evaluation Committee shall select the Offeror which, in its opinion, has made the best proposal and provides the best value and shall award the contract to that Offeror. If the Board’s Evaluation Committee determines in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror.

The award document will be a contract incorporating by reference all the requirements, terms, and conditions of the RFP, including any amendments, and the Contractor's proposal, as negotiated.

The Board is under no obligation to issue, award, or contract with any Offeror as a result of issuing this RFP. The Board may cancel this RFP or reject proposals at any time prior to an award and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous.

OPTIONAL PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on Tuesday, March 10, 2020, at 9:30 a.m. at the offices of Spotts Fain PC, 411 East Franklin Street, Suite 600, Richmond, VA 23219, and telephonically at:

1-201-616-0673

Access Code: 375439

The purpose of this conference is to allow potential Offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation. Attendees are required to register, by not later than March 6, 2020, their intent to attend the pre-proposal conference by email directed to jglee@bankersinsurance.net.

While attendance at this conference will not be a prerequisite to submitting a proposal, Offerors who intend to submit a proposal are encouraged to attend. Any changes resulting from this conference will be issued in a written addendum to the solicitation.

GENERAL TERMS AND CONDITIONS

VENDOR'S MANUAL: Except for requirements regarding use of the Commonwealth's electronic procurement system, eVa (www.eva.virginia.gov), this solicitation is subject to the provisions of the Commonwealth of Virginia Vendors Manual, and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. Note that the procedure for filing contractual claims is found in section 7.19 of the Vendors Manual. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at: <https://dqs.virginia.gov/procurement/policy-consulting--review/policy/>

APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia, and any litigation with respect thereto shall be brought in the courts of the Commonwealth of Virginia, with venue in the Circuit Court of the City of Richmond, Virginia. While the Board and the Contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using the alternative dispute resolution (ADR) procedures set forth in § 2.2-4366 of the Code of Virginia, such procedures are not binding on the Board unless otherwise agreed to in writing by the Board. ADR procedures are described in Chapter 9 of the Vendors Manual. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in the performance of this contract.

ANTI-DISCRIMINATION: By submitting their proposals, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act, and § 2.2-4311 of the Virginia Public Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia § 2.2-4343.1E).

In every contract over \$10,000, the provisions of paragraphs 1. and 2. below apply:

1. During the performance of this contract, Contractor agrees as follows:
 - a. Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The

Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

- b. Contractor, in all solicitations or advertisements for employees placed by or on behalf of Contractor, will state that such Contractor is an equal opportunity employer.
 - c. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting these requirements.
2. In connection with this contract, Contractor will include the provisions of paragraph 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

ETHICS IN PUBLIC CONTRACTING: By submitting a proposal, Offeror certifies that its proposal is made without collusion or fraud; that Offeror has not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer, or subcontractor in connection with the proposal; and that Offeror has not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

IMMIGRATION REFORM AND CONTROL ACT OF 1986: By entering into a written contract, Offeror certifies that as a Contractor with the Board, Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

DEBARMENT STATUS: By submitting a proposal, Offeror certifies that it is not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor is it an agent of any person or entity that is currently so debarred.

ANTITRUST: By entering into any contract as a result of this RFP, Contractor conveys, sells, assigns, and transfers to the Board any and all rights, title, and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Board under said contract.

MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS: Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Board reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

CLARIFICATION OF TERMS: If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the Board representative whose name appears on the face of this RFP no later than five working days

before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

PRECEDENCE OF TERMS: The following General Terms and Conditions shall apply in all instances: VENDORS MANUAL; APPLICABLE LAWS AND COURTS; ANTI-DISCRIMINATION; ETHICS IN PUBLIC CONTRACTING; IMMIGRATION REFORM AND CONTROL ACT OF 1986; DEBARMENT STATUS; ANTITRUST; MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS; CLARIFICATION OF TERMS; and PAYMENT. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this RFP, the Special Terms and Conditions shall apply.

PAYMENT:

1. To Prime Contractor:

a. Invoices for items ordered, delivered and accepted shall be submitted by Contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.

c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which public agency is being billed.

d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the *Virginia Debt Collection Act*.

e. Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia, § 2.2-4363*).

2. To Subcontractors:

- a. A contractor awarded a contract under this solicitation is hereby obligated:
- (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
 - (2) To notify the agency and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.

b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

3. Each prime contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate remedies may be assessed in lieu of withholding such payment.

4. The Commonwealth of Virginia encourages contractors and subcontractors to accept electronic and credit card payments.

QUALIFICATIONS OF OFFERORS: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.

CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.

2. The Board may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, services to be performed. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:

a. By mutual agreement between the parties in writing; or

b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or

c. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Board, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Board may have.

INSURANCE: By signing and submitting a bid or proposal under this solicitation, the Offeror certifies that, if awarded the contract, it will have the following insurance coverage at the time the contract is awarded:

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employer's Liability - \$100,000.
3. Commercial General Liability - \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Board must be named as an additional insured and so endorsed on the policy or included under a blanket additional insured endorsement as additional insureds on primary and non-contributory basis.
4. Errors and omissions insurance coverage in the amount of \$2,000,000 per occurrence. Such insurance will be endorsed to include SCC as additional insured.
5. Cyber Security Liability Insurance coverage in the minimum amount of \$15,000,000 per occurrence.
6. Within 30 days after the execution date of the Contract, any required insurance policy, or the date of any new or renewed policy, and from time to time during the term of the Contract, upon the Board's request, Contractor must furnish the Board with a current certificate of insurance showing coverage in at least the amounts required by this Section. If requested, Contractor must also furnish a copy of the applicable insurance policy to the Board. Certificates of insurance for the coverages set forth in this Section must include evidence of the Board's additional insured and loss payee status on the policies for which such status is required.
7. In the case of loss or damage or other event that requires notice or other action under the terms of any insurance coverage described above, the Contractor is solely responsible for taking such action. The Contractor must provide the Board with contemporaneous notice and with such other information as the Board may request regarding the event.
8. The successful contractor will also be required to maintain a performance bond of no less than \$500,000.

ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a contract as a result of this solicitation, the Board will publicly post such notice in various

newspapers of general circulation and on the Board's website (www.VirginiaInsuranceCE.com) for a minimum of 10 days.

DRUG-FREE WORKPLACE: During the performance of any contract entered into as a result of this RFP, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

NONDISCRIMINATION OF CONTRACTORS: An Offeror shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, or any other basis prohibited by state law relating to discrimination in employment or because the Offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

AVAILABILITY OF FUNDS: It is understood and agreed between the parties herein that the Board shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of any contract entered into under this RFP.

BID PRICE CURRENCY: Offerors shall state bid/offer prices in United States dollars.

AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH: A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described above that enters into a contract with a public body pursuant to the Virginia Public Procurement Act shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. Please note that a public body

may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

SPECIAL TERMS AND CONDITIONS

RELATIONSHIPS WITH INSURERS, RATE SERVICE ORGANIZATIONS AND OTHER STATE REGULATORY AGENCIES

The Offeror shall list all insurers, rate service organizations, and other state regulatory agencies or their affiliates that the Offeror or its predecessor has worked for in a professional capacity during the last five years. For each firm listed, briefly describe the nature of the professional relationship and the impact of this relationship on the Offeror's ability to serve the Board.

The Board reserves the right to determine if a conflict of interest exists between an Offeror and the respective insurer, rate service organization, or other state regulatory agency. The Offeror shall continue to disclose during the term of the contract to the Board any situations in which a potential conflict of interest could arise, present the facts of the situation, offer an opinion as to whether the situation involves a conflict, and agree to accept the decision of the Board as to whether or not a conflict exists.

OWNERSHIP OF RECORDS/TRANSITION ASSISTANCE

All books, records, computer programs, printed material, and other documents created to fulfill the Contractor's duties to the Board shall be the property of the Board. Upon termination of the contract, the Contractor agrees to timely transfer all such materials to the Board in a manner that will provide for a nondisruptive transition of such materials and the work of the Board. If required, the Board shall establish the date for such transfer. The Contractor also agrees to provide such other reasonable assistance as may be required in connection with the transition.

AUDIT

The Board, the Commission, or their authorized agents, and/or State auditors shall have full access to and the right to examine all books, records, and other documents relative to this contract during the contract period and for six (6) years after the termination of this contract.

PROPOSAL ACCEPTANCE PERIOD

Any proposal in response to this solicitation shall be valid for ninety (90) days. At the end of the ninety (90) days, the proposal may be withdrawn at the written request of the Offeror. If the proposal is not withdrawn at that time, it remains in effect until an award is made or the solicitation is canceled.

CANCELLATION OF CONTRACT

The Board reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon sixty (60) days written notice to the Contractor. In the event the initial contract period is for more than twelve (12) months, the resulting contract may be terminated by either party, without penalty, after the initial twelve (12) months of the contract period upon ninety

(90) days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding services issued prior to the effective date of cancellation.

CONFIDENTIALITY OF INFORMATION

Information or data obtained by the Offeror during the course of determining and/or preparing a response to this RFP may not be used for any other purpose than determining and/or preparing the Offeror's response. Such information or data may not be disseminated or discussed for any reasons not directly related to the determination or preparation of the Offeror's response to this Request for Proposals.

RENEWAL OF THE CONTRACT

This contract may be renewed by the Board for two (2) successive two-year periods at the sole option of the Board. Written notice that the Board intends to exercise its option shall be given approximately ninety (90) days prior to the expiration date of each contract period. Contractor shall have the right, at the beginning of each renewal period, to present to the Board evidence of the necessity for an increase in Contractor's compensation under the contract, and the Contractor and the Board shall be authorized to negotiate a new compensation agreement, subject to reasonable documentation of the necessity for an increase in such compensation.

LIABILITY INSURANCE AND INDEMNIFICATION

Contractor shall maintain such personal injury and property damage liability insurance as necessary to protect itself from claims arising out of the performance of this contract. The Contractor shall indemnify and hold harmless the Commonwealth of Virginia, the Board, the Commission, their employees, and designated representatives from any and all claims, suits, actions, liabilities and cost of any kind caused by or arising from the performance of the contract. Nothing contained herein shall be deemed an express or implied waiver of the sovereign immunity of the Commonwealth of Virginia, the Board, or the State Corporation Commission, or a pledge of the full faith and credit of the Commonwealth of Virginia, the Board, or the State Corporation Commission.

OBLIGATION OF OFFEROR

By submitting a proposal, the Offeror covenants and agrees that he has satisfied himself of the conditions to be met, fully understands his obligations, and that he shall have no right to cancel this contract or to relief of any other nature because of his misunderstanding or lack of information.

SUBCONTRACTS

No portion of the work shall be subcontracted without prior written consent of the Board. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Board the names, qualifications, and experience of the proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work

to be done by his subcontractor(s) and shall assure compliance with all requirements of the contract.

INDEPENDENT CONTRACTOR

Any Offeror awarded a contract under this Request for Proposals shall be considered an independent contractor, and neither the Offeror, nor personnel employed by the Offeror, are in any sense to be considered employees or agents of the Board, the Commission, or the Commonwealth of Virginia.

ATTACHMENT A

Code of Virginia
Title 38.2, Chapter 18, Article 7
Effective January 1, 2021

Code of Virginia
Title 38.2
Chapter 18

Article 7.
Continuing Education.

Article 7. Continuing Education.

§ 38.2-1866. Continuing education requirements.

A. Every individual resident and nonresident (i) insurance consultant, (ii) life and annuities insurance agent, (iii) health agent, (iv) property and casualty insurance agent (v) personal lines agent, and (vi) title insurance agent shall, on a biennial basis, furnish evidence as set forth in this article that the continuing education requirements of this article have been satisfied. As used in this article, the term "agent" shall be construed to refer to any of the individual licensees referred to above.

B. Any agent who holds a life and annuities license or a health agent license, or both, shall complete 16 hours of relevant continuing education credits.

C. Any agent who holds a personal lines license or a property and casualty license shall complete 16 hours of relevant continuing education credits.

D. Any agent who holds a title agent license shall complete 16 hours of relevant continuing education credits.

E. Except as provided in subsection B and § 38.2-1871, any agent who holds licenses from more than one category of licenses identified in subsection A shall complete 24 hours of relevant continuing education credits with a minimum of eight credit hours in each such category.

F. Of the total required credits for each biennium, three credit hours shall be in insurance ethics, which may include insurance law and regulations applicable in Virginia.

G. Agents may receive no more than 75 percent of their required credits from courses provided by insurance companies or agencies. The Board, in its sole discretion, shall, at the time of course approval, determine whether any particular course shall be considered to be insurance company or agency sponsored, and shall require all course sponsors to provide this information clearly and conspicuously to all those enrolling in that course.

1992, c. 570; 1994, c. 175; 1996, c. 159; 1998, c. 46; 1999, c. 86; 2001, c. 706; 2012, c. 294.

§ 38.2-1867. (Effective January 1, 2021) Insurance continuing education board; approval of credits.

A. An insurance continuing education board, hereinafter called the Board, appointed by the Commission, shall approve all continuing education instructors, programs of instruction, and courses, including technical courses or agency management and operations courses, and shall evaluate credit hours for all programs or courses offered. The Board shall establish and monitor standards for the education of insurance agents and set minimum requirements for course instructors. The Board shall have the authority to disapprove or withdraw approval of course sponsors, courses, or course instructors when the established standards are not satisfied, or where such standards have been violated.

B. The number of credits for each self-study course, correspondence course, or program of classroom instruction shall be determined in a manner prescribed by the Board. However, for an approved classroom course, a credit hour shall be equivalent to a classroom hour providing at least 50 minutes of continuous instruction or participation. No credits shall be granted for approved classroom courses unless notice to the Board is accompanied by proof of attendance by the course provider. No credits shall be granted for any correspondence or self-study course that does not include a test of the subject matter which shall be successfully completed by each agent requesting credit. The Board shall have the right to review and approve or disapprove the proposed test as part of the course approval process.

C. An instructor of an approved continuing education course shall be eligible to receive the same number of credits as a person enrolled in the course for the purpose of meeting the continuing education course requirements of this article. However, agents and instructors may apply credits for attending or teaching the same course only once during the two-year period set forth in subsection B of § 38.2-1868.1.

D. Excess credit hours accumulated during the two-year period set forth in subsection B of § 38.2-1868.1 may be carried forward to the next biennium only.

E. Members of the Board shall be appointed by the Commission as follows:

1. One active member of the Independent Insurance Agents of Virginia, as recommended by the Independent Insurance Agents of Virginia;
2. One active member of the Professional Insurance Agents of Virginia and the District of Columbia, as recommended by the Professional Insurance Agents of Virginia and the District of Columbia;
3. One active member of the National Association of Insurance and Financial Advisors of Virginia, as recommended by the National Association of Insurance and Financial Advisors of Virginia;

4. One active member of the Virginia Land Title Association, as recommended by the Virginia Land Title Association;
5. One active member of the Virginia Association of Health Underwriters, as recommended by the Virginia Association of Health Underwriters;
6. Three representatives of the property and casualty insurance industry;
7. Three representatives of the life and health insurance industry; and
8. One representative of the adult education or higher education field

F. No person shall serve as a member of the Board if, in the opinion of the Commission, such person (i) prepares, submits for approval, or teaches insurance continuing education courses in Virginia or in any other jurisdiction, other than as an incidental part of such person's employment, or (ii) no longer meets the criteria on which the original appointment to the Board was based pursuant to subsection E.

G. No meeting of the Board or any subcommittee of the Board shall be held unless timely notice of such meeting has been provided to the Commission's Bureau of Insurance. At any such meeting of the Board or any subcommittee of the Board, one or more representatives from the Bureau of Insurance shall be permitted to attend and to participate in such meeting, except that such Bureau of Insurance representative or representatives shall not have the right to vote on any matters before the Board.

H. Actions of the Board shall be exempt from the application of the Administrative Process Act (§ 2.2-4000 et seq.).
1992, c. 570; 1996, c. 159; 2001, cc. 350, 706; 2004, c. 765; 2019, c. 675.

§ 38.2-1868. Repealed.

Repealed by Acts 1996, c. 159.

§ 38.2-1868.1. (Effective January 1, 2021) Proof of compliance with continuing education requirements; waivers.

A. As used in this article:

"Proof of compliance" means all fees prescribed by the Board and all documents and forms specified by the Board for demonstrating completion of Board-approved continuing education courses relevant to the license held and for the required number of hours.

"Received by the Board or its administrator" means delivered into the possession of the Board or its administrator in a form and manner prescribed by the Board.

B. Each agent holding one or more licenses subject to the continuing education requirements of this article shall complete all continuing education course or waiver requirements and

shall submit to the Board or its administrator proof of compliance with such requirements in the form and manner required by the Board biennially, based on the agent's month and year of birth. An agent born in an even-numbered year shall complete all continuing education course or waiver requirements and shall submit proof of compliance by the end of the agent's birth month in even-numbered years. An agent born in an odd-numbered year shall complete all continuing education course or waiver requirements and shall submit proof of compliance by the end of the agent's birth month in odd-numbered years.

C. A licensed agent who is unable to comply with the continuing education requirements of this article due to military service or other extenuating circumstances including long-term illness or incapacity may request a waiver of such requirements. Requests for waivers of continuing education requirements shall be made in a form and manner prescribed by the Board. Agents seeking a waiver of some or all of the continuing education requirements shall submit all documentation, forms, and fees specified by the Board so as to be received by the Board or its administrator no later than the last day of the two-year period set forth in subsection B and in §§ 38.2-1825.1 and 38.2-1840. After the two-year period, agents who have failed to complete the continuing education requirements may request a waiver of the continuing education reinstatement requirements set forth in subsection E of § 38.2-1825.1 and subsection E of § 38.2-1840 within the 12-month reinstatement period described therein. The Board shall approve or disapprove the waiver request within 30 days of receipt thereof and shall provide written notice of its decision to the waiver applicant within five days of rendering its decision. Any waiver granted pursuant to this subsection shall be valid only for the biennium for which waiver application was made.

D. All fees specified by the Board shall be nonrefundable once received by the Commission, the Board, or the Board's administrator, except that duplicate payments may be refunded.

1996, c. 159; 1998, c. 46; 2000, c. 522; 2001, c. 706; 2006, c. 589; 2012, c. 294; 2016, c. 285; 2018, c. 668; 2019, c. 675.

§ 38.2-1869. (Effective January 1, 2021) Failure to satisfy requirements; termination of license.

A. Failure of an agent to complete all continuing education course or waiver requirements, pay any fee imposed by the Board, or otherwise furnish proof of compliance during the two-year period set forth in subsection B of § 38.2-1868.1, or to complete the license renewal requirements set forth in § 38.2-1825.1 or 38.2-1840, shall result in the termination, pursuant to § 38.2-1825.1 or 38.2-1840, of each license held by the agent for which the requirements of this article were not satisfied.

B. Neither the Board, its administrator, nor the Commission shall have the power to grant an agent additional time for completing the continuing education credits required by § 38.2-1866, or additional time for seeking waivers or submitting proof of compliance as required by § 38.2-1868.1.

C. An agent whose license has been terminated pursuant to § 38.2-1825.1 or 38.2-1840 for failure to satisfy the continuing education requirements of this article may appeal the determination of noncompliance to the Board. However, failure of an agent to provide notice of appeal in the form and manner prescribed by the Board within 30 calendar days following expiration of the two-year period set forth in subsection B of § 38.2-1868.1 and in §§ 38.2-1825 and 38.2-1840 shall be deemed a waiver by such agent of the right to appeal the determination of noncompliance with the Board.

D. Pursuant to the requirements of subsection C of § 38.2-1815 and §§ 38.2-1857.1 and 55.1-1003, respectively:

1. A resident variable contract agent whose life and annuities insurance agent license is terminated for failure to satisfy the requirements of this article shall also have such variable contract license terminated by the Commission;
2. A resident agent holding a license as a surplus lines broker whose property and casualty insurance agent license is terminated for failure to satisfy the requirements of this article shall also have such surplus lines broker license terminated by the Commission; and
3. An agent holding a registration as a title settlement agent whose title insurance agent license is terminated for failure to satisfy the requirements of this article shall also have such registration as a title settlement agent terminated by the Commission.

Any such license or registration so terminated may be applied for again after the agent has obtained, respectively, a new life and annuities insurance agent's license, a new property and casualty insurance agent's license, or a new title insurance agent's license and appointment, if appointment is required.

E. An insurance consultant who fails to renew his insurance consultant license by the date specified in § 38.2-1840, but who reinstates his insurance consultant license within 12 months following such renewal date shall be treated, for purposes of determining exemption from continuing education requirements pursuant to § 38.2-1871, as if such insurance consultant license had been renewed in a timely manner.

1992, c. 570; 1994, c. 175; 1995, c. 554; 1996, c. 159; 1997, c. 583; 1998, c. 46; 2000, c. 522; 2001, c. 706; 2002, c. 296; 2006, c. 589; 2010, c. 281; 2012, c. 294; 2016, c. 285; 2018, c. 668; 2019, c. 675.

§ 38.2-1870. (Repealed effective January 1, 2021) Waiver of continuing education requirements.

§ 38.2-1871. (Effective January 1, 2021) Licensees not subject to the continuing education requirements of this article.

A. A resident or nonresident agent who has been issued a license during the last 13 months of the two-year period set forth in subsection B of § 38.2-1868.1 and in §§ 38.2-1825.1 and 38.2-1840 shall be exempt from fulfilling the continuing education course requirements set forth in this article for that license for that biennium.

B. The following licensees are not subject to the continuing education course requirements set forth in this article:

1. Life and health insurance consultants who are also licensed both as life and annuities insurance agents and as health agents and who satisfy the continuing education course requirements needed for continuation of their life and annuities and health agent licenses;

2. Property and casualty insurance consultants who are also licensed as property and casualty agents and who satisfy the continuing education course requirements needed for continuation of their property and casualty agent license;

3. Nonresident agents who furnish evidence in the form and manner required by the Board of their current good standing in their home state, provided that the insurance supervisory official of the nonresident agent's home state will grant similar exemptions to Virginia residents; and

4. Agents who have applied for and received a permanent exemption from the continuing education course requirements set forth in this article by December 31, 2018.

1992, c. 570; 1994, c. 175; 1996, c. 159; 1997, c. 583; 2000, c. 522; 2001, cc. 32, 706; 2018, c. 668; 2019, c. 675.

§ 38.2-1872. (Effective January 1, 2021) Administrative duties of Board; transfer to outside administrator.

A. The Board shall have the authority to transfer all or part of its administrative duties to an outside administrator. The performance of the administrator shall be confirmed at least annually by the Board and appropriate corrective action shall be taken for any deficiencies. Such administrator shall maintain records reflecting the continuing education status of all licensed agents reporting credits to it, subject to the requirements of this article.

B. The Board or its administrator shall be provided such information from the Commission's records as the Board may reasonably require in order to carry out its duties, including, but not limited to, (i) requesting and receiving from the Commission computer-generated reports, mailing labels, or other computer-generated information containing the names, license identification numbers, license types, and residence addresses of all licensees subject to the requirements of this article and (ii) direct on-line access to such automated system data as the Commission may deem appropriate.

1992, c. 570; 1996, c. 159; 1998, c. 46; 2000, c. 522; 2001, c. 706; 2012, c. 294; 2018, c. 668; 2019, c. 675.

§ 38.2-1873. (Effective January 1, 2021) Continuing insurance education fees.

The continuing insurance education program established by this article shall be self-supporting, and any costs incurred by the Board, its members, its administrator, or the Commission in connection with the good faith execution of their respective duties pertaining to the continuing education of insurance agents licensed in the Commonwealth shall be borne by the continuing insurance education fees paid by agents, course sponsors, and course instructors, which fees, except for duplicate payments, shall be nonrefundable upon receipt.

1992, c. 570; 1996, c. 159; 2012, c. 294; 2019, c. 675.

§ 38.2-1874. Continuing education program; plan of operation; approval by Commission.

A. The Board shall submit to the Commission a plan of operation that provides for the fair and nondiscriminatory administration of the continuing insurance education program established pursuant to this article. Such plan shall not become effective until approved by the Commission in writing. The Board may, at any time, propose amendments to the plan of operation, and such amendments shall not become effective until approved by the Commission. The plan of operation shall:

1. Establish guidelines for the Board to utilize in adopting procedures for exercising its powers and duties;
2. Establish guidelines for the Board to utilize in adopting procedures for handling the assets of the continuing insurance education program;
3. Establish guidelines for reimbursing members of the Board for the necessary expenses incurred in the performance of their official duties and for indemnifying members for all expenses and liabilities incurred as a result of their serving as members of the Board;
4. Establish guidelines for determining places and times for meetings of the Board;
5. Establish guidelines for adopting procedures for records to be kept of all financial transactions of the Board and administrator;
6. Establish procedures for the election of Board officers;
7. Establish guidelines pursuant to which the Board may adopt a reasonable means whereby any person aggrieved by an action of the Board or administrator may appeal such action to the Board and, after written request, be heard in person or by an authorized representative to review the grievance. Guidelines may include additional levels of appeal other than those set forth herein, but shall provide, at a minimum, that (i) if the Board or its administrator fails to grant or reject the grievance within 15 calendar days after it is made, the person filing the grievance may proceed in the same manner as if his grievance had been rejected; (ii) any person adversely affected by the action of the Board or its administrator on such request

may, within 15 calendar days after written notice of the action, make a written request for informal review by the Bureau of Insurance, which shall affirm or reverse the action upon not less than 10 calendar days' written notice to the person and to the Board or its administrator; and (iii) any person adversely affected by the action of the Bureau of Insurance on such request may, within 15 calendar days after written notice of the action, appeal to the Commission pursuant to the Commission's "Rules of Practice and Procedure." The Commission may affirm or reverse the action upon not less than 10 calendar days' written notice to the person and to the Board or its administrator; and

8. Contain guidelines for the Board to utilize in adopting additional provisions necessary or proper for the execution of the powers and duties of the Board including but not limited to (i) program requirements and approved programs of study; (ii) qualifications and responsibilities of course instructors; (iii) management and record-keeping responsibilities; (iv) fee schedules and filing requirements; and (v) course refund policies and procedures.

B. If the Commission disapproves all or any part of the proposed plan of operation or amendment thereto, the Board shall within 15 calendar days submit for review an appropriate revised plan of operation or amendment thereto. If the Board fails to do so, the Commission shall promulgate a plan of operation or an amended plan of operation. The plan of operation or amended plan of operation approved or promulgated by the Commission shall become effective and operational upon order of the Commission.

C. A regular meeting of the Board shall be held at least annually at such time, date, and place approved by the Board. Special meetings may be called at any time by the chairman. Notices of all regular and special meetings shall be sent to each person serving as a representative on the Board or a subcommittee of the Board and to the Commission. Each notice shall state the purpose of the meeting and include any proposed changes in rules or procedures. Any such meeting notices shall be given in such form as may be acceptable to the Board at least 20 calendar days prior to the date of the meeting.

D. The books of account, records, reports and other documents of the Board and its administrator shall be open to the Commission for examination at all reasonable hours.

E. There shall be no liability on the part of and no cause of action shall arise against any member of the Board, the Board, the Board's agents or employees, or the Commission or its representatives for any action taken or statement made by them in good faith in the performance of their powers and duties under this article.

1992, c. 570; 1994, c. 175; 1996, c. 159; 2001, c. 706; 2010, c. 335; 2012, c. 294.

Attachment B

Transition Timetable for License Renewals

Table for License Renewals
Based on a 13/37 Month Transition Schedule

<u>Month</u>	<u>2021</u>	<u>2022 (Even)</u>	<u>2023 (Odd)</u>	<u>2024 (Even)</u>
January	No Renewals	No Renewals	Renew by Jan 31	Renew by Jan 31
February	No Renewals	Renew by Feb 28	Renew by Feb 28	
March	No Renewals	Renew by Mar 31	Renew by Mar 31	
April	No Renewals	Renew by Apr 30	Renew by Apr 30	
May	No Renewals	Renew by May 31	Renew by May 31	
June	No Renewals	Renew by Jun 30	Renew by Jun 30	
July	No Renewals	Renew by Jul 31	Renew by Jul 31	
August	No Renewals	Renew by Aug 31	Renew by Aug 31	
September	No Renewals	Renew by Sep 30	Renew by Sep 30	
October	No Renewals	Renew by Oct 31	Renew by Oct 31	
November	No Renewals	Renew by Nov 30	Renew by Nov 30	
December	No Renewals	Renew by Dec 31	Renew by Dec 31	

The license for an agent born in an even-numbered year shall expire at the end of the agent's birth month in even-numbered years. The license for an agent born in an odd-numbered year shall expire at the end of the agent's birth month in odd-numbered years.

Attachment C

2017-2018 Biennium Statistical Information

2017-2018 Biennium

Course approvals	2,833
Single session course approvals	498
Course renewals	2,976
Course expedited approvals*	192
Instructor approvals	1,375
Instructor expedited approvals*	74
Instructor renewals	1,894
Provider approvals	68
Course completions	160,649
Course credit hours completed	718,724
Resident Agents (as of Feb. 11, 2020)	51,000
Current Active Providers (as of Feb. 27, 2020)	430
Current Active Courses (as of Feb. 27, 2020)	5,521
Current Active Instructors (as of Feb. 27, 2020)	2,698

***Note:** *The number of expedited approvals for courses and instructors is included in the overall course and instructor renewal numbers. The figures for expedited approvals are included only to note that a separate fee was charged for the expedited approval process.*

ATTACHMENT D

Small, Women-Owned, and Minority-Owned (SWaM) Business Participation

SMALL, WOMEN-OWNED, AND MINORITY-OWNED BUSINESSES

I. SWaM CERTIFICATION

The Small, Women-owned, and Minority-owned Business (SWaM) certification program is a state program of the Commonwealth of Virginia. The purpose is to enhance procurement opportunities for SWaM businesses participating in state-funded projects.

Note that certified SWaM businesses must be so certified prior to the deadline for submitting proposals in response to this RFP and that a copy of such certification must be included in Offeror's proposal.

Businesses that desire more information on the Commonwealth of Virginia SWaM certification program may refer to the Virginia Department of Small Business and Supplier Diversity website, <https://www.sbsd.virginia.gov/>.

II. SWaM DESIGNATION

If Offeror is certified as a SWaM business, please check the appropriate box below to indicate the type(s) of certification the business has received:

Small Business: "Small business" means a business that is at least 51% independently owned and controlled by one or more individuals who are U.S. citizens or legal resident aliens, and together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years. One or more of these individual owners shall control both the management and daily business operations of the small business.

Micro Business: As a certified Small Business by the Department, your company might qualify to be a "Micro Business". Micro Business is a certified Small Business under the SWaM Program and has no more than twenty-five (25) employees AND no more than \$3 million in average annual revenue over the three-year period prior to their certification.

Women-Owned Business: "Women-owned business" means a business that is at least 51% owned by one or more women who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or legal resident aliens, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or legal resident aliens.

Minority-Owned Business: "Minority-owned business" means a business that is at least 51% owned by one or more minority individuals who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals who are U.S. citizens or legal resident aliens, and both the management and daily business operations are controlled by one or more minority individuals, or any historically black college or university, regardless of the percentage ownership by minority individuals or, in the case of a corporation, partnership, or

limited liability company or other entity, the equity ownership interest in the corporation, partnership, or limited liability company or other entity.

Minority Individual: "Minority individual" means an individual who is a citizen of the United States or a non-citizen who is in full compliance with United States immigration law and who satisfies one or more of the following definitions:

- a. "African American" means a person having origins in any of the original peoples of Africa and who is regarded as such by the community of which this person claims to be a part.
- b. "Asian American" means a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands, including but not limited to Japan, China, Vietnam, Samoa, Laos, Cambodia, Taiwan, Northern Marianas, the Philippines, a U. S. territory of the Pacific, India, Pakistan, Bangladesh or Sri Lanka and who is regarded as such by the community of which this person claims to be a part.
- c. "Hispanic American" means a person having origins in any of the Spanish speaking peoples of Mexico, South or Central America, or the Caribbean Islands or other Spanish or Portuguese cultures and who is regarded as such by the community of which this person claims to be a part.
- d. "Native American" means a person having origins in any of the original peoples of North America and who is regarded as such by the community of which this person claims to be a part or who is recognized by a tribal organization.

III. SUBCONTRACTING SMALL BUSINESS OPPORTUNITIES

Does your company intend to offer subcontracting opportunities to businesses certified as SWaM businesses? Check the appropriate box below:

- Yes No

If YES is checked proceed to Section IV (1-3) of this Attachment for additional requirements.

IV. SUBCONTRACTING WITH SMALL BUSINESSES.

1. Prime contractors that do not meet the SWaM designation stated in Section II above are encouraged to offer subcontracting opportunities to SWaM-certified businesses. To assist in locating such businesses, the following searchable databases and/or member listings are provided:

- Small Business & Supplier Diversity SWaM & DBE Directory
(<https://www.sbsd.virginia.gov/directory/>)
- Metropolitan Business League (MBL)
<http://www.thembl.com>

- System for Award Management (contractor database of General Services Administration): <https://uscontractorregistration.com/>
- Diversity Business for multicultural-owned businesses <http://www.diversitybusiness.com/>
- Virginia Chamber of Commerce: <https://www.vachamber.com/>

2. Prime contractors that propose to use SWaM-certified businesses as subcontractors must report the planned utilization of SWaM businesses in the performance of this contract. The following minimum information must be provided with Offeror's proposal for purposes of awarding points under this solicitation:

- SWaM business name & address
- Contact person, telephone number & email address
- Type of service provided by SWaM business
- Planned contract dollars during period of contract for Utilization of SWaM businesses

Prime contractors that propose to use SWaM-certified businesses as subcontractors will be awarded points for same.

3. Prime contractors awarded a contract under this RFP that state their intent to utilize SWaM-certified businesses as subcontractors shall submit a quarterly report to the Board of all dollars spent during the period of the contract with SWaM-certified subcontractors that provide services under this contract. At a minimum, the following information must be provided to the Board:

- Applicable month and year of usage
- SWaM business name & address
- Contact person, telephone number & email address
- Type of service provided by SWaM business
- Amount of actual monthly spend provided to each SWaM business
- Evidence of compliance (documentation that supports actual monthly spend, i.e., copy of check paid to SWaM business, copy of paid invoice, etc.)