

FAUQUIER COUNTY GOVERNMENT & PUBLIC SCHOOLS
A political subdivision of the Commonwealth of Virginia
Contract #25-063-C-S
HR Benefits & Communications Consulting Services

This Agreement is made and entered into this 17 day of ^{December}~~October~~, 2024 by Fauquier County Government & Public Schools, a political subdivision of the Commonwealth of Virginia hereinafter referred to as "Owner" and, **Gallagher Benefit Services, Inc.**, having its principal place of business at **4250 Congress St., Suite 200, Charlotte, NC 28209** hereinafter referred to as "Contractor".

WITNESSETH that the Contractor and the Owner, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF SERVICES: To obtain the services of a qualified Employee Benefits Consultant licensed to consult in the Commonwealth of Virginia. The awarded Consultant shall provide services for the design, proposal preparation, negotiation and implementation of the health care and employee benefit plans of the Fauquier County Government, and the Fauquier County School Board as well as provide advisory, consulting and communication services regarding benefits and insurance, year-round to the Fauquier County Government and the Fauquier County School Board.

COMPENSATION: The Owner will pay and the Contractor will accept in full consideration for services rendered during the contract term, as outlined in the attached proposal response.

CONTRACT PERIOD: The contract term shall be for a period of one (1) year from date of award. This contract may be renewed by the Owner for five (5) additional one (1) year periods by mutual agreement of both parties.

The contract documents shall consist of and for the purpose of resolving ambiguity or conflicts shall be interpreted in the following order of priority:

- (1) This signed form;
- (2) RFP 14-25jc dated July 17, 2024; and
- (3) Firm's proposal dated August 28, 2024, all of which documents are incorporated herein.

IN WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

Gallagher Benefit Services, Inc.

By: 
Kyle Armenty (Dec 16, 2024 16:47 EST)

Title: Area President

Date: Dec 16, 2024

Fauquier County Government & Public Schools,
a political subdivision of Commonwealth of Virginia

By: 
Kristen Hyllon

Title: Procurement Manager

Date: 12/17/2024



FAUQUIER COUNTY GOVERNMENT AND PUBLIC SCHOOLS

Request for Proposal (RFP) 14-25jc Employee Benefits & Communications Consulting Services

IMPORTANT NOTICE

**THIS IS AN ELECTRONIC PROCUREMENT
SUBMISSIONS WILL ONLY BE ACCEPTED ELECTRONICALLY VIA FAUQUIER
COUNTY'S BONFIRE PORTAL**
<https://fauquiercounty.bonfirehub.com>

Fauquier County Government uses an electronic procurement portal powered by Bonfire Interactive for accepting and evaluating all proposals. To register, visit the portal at the below link: <https://fauquiercounty.bonfirehub.com>. Registration is free. Additional assistance is also available at Support@GoBonfire.com.

Submitting proposals/bids via the Bonfire portal is **mandatory**. Fauquier County Government **will not** accept proposals/bids submitted by paper, delivered by courier, telephone, facsimile ("FAX") transmission, or electronic mail (e-mail) in response to any solicitations. Reference "PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS" section in the solicitation for additional detailed information. Fauquier County Government and Public Schools strongly encourages offerors to submit proposals well in advance of the proposal submission deadline. A proposal/bid submission is not considered successful unless all necessary files have been uploaded and the 'Submit & Finalize' step has been completed. Potential offerors can upload their proposal in stages or phases as they deem necessary however all requested documents must be uploaded and submitted by the due date and time of the respective solicitation.

PROPOSAL REQUEST:**Topic:** Employee Benefits & Communications Consulting Services**Issue Date:** July 17, 2024, 10:00AM EST**To be considered, Respond Electronically by:** August 16, 2024, by 4:30PM EST, via our solicitation portal:

<https://fauquiercounty.bonfirehub.com/opportunities/>. No mailed, faxed, or hand delivered submissions will be accepted. If necessary, any addendums will be posted on the Bonfire Portal and on the Fauquier County Government and Public Schools Procurement website which can be found at the link below:

<https://www.fauquiercounty.gov/government/departments-h-z/procurement/bids-proposals> (Late responses cannot be accepted.)

For Any Questions Perspective Offerors May Have, please submit via the Bonfire Portal. Vendor questions shall be submitted via Bonfire Portal by July 26, 2024 by 4:30PM EST. All inquiries for additional information and any updates to this solicitation can be found at the referenced link below: <https://fauquiercounty.bonfirehub.com/opportunities/>

Period of Contract: One (1) year from Date of Award, with the option to renew for four (4) additional (1) one- year periods (see section "Contract Period" for additional details).

This solicitation is issued by the Fauquier County Government, and Fauquier County Public Schools, on behalf of the Fauquier County Board of Supervisors and Fauquier County School Board, political subdivisions of the Commonwealth of Virginia, herein referred to as "Owner" or "County" or "Schools". Vendors responding to the solicitation are referred to as "Offeror" and/or "Bidder" and post- contract award as "Contractor".

The awarded Contractor shall be expected to sign a contract with the Owner; the contract will incorporate this Request for Proposal, the awarded offeror(s) response, and any other pertinent information by reference. The contract will be prepared, released, and executed by the County Procurement Division on behalf of the Fauquier County Government & Public Schools.

Embedded are the General Terms and Conditions, which shall be a part of every bid submitted in response thereto and incorporated by a reference into the resulting contract. In accordance with this electronic bid request and subject to all conditions and attachments, the undersigned offers and agrees to furnish the services in accordance with the submitted signed bid or as mutually agreed upon by subsequent negotiations.

In compliance with this Request for Proposal and subject to all conditions and attachments imposed therein and hereby incorporate 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 negotiations.

I. Receipt of the following Addenda are acknowledged:

Addendum No. _____, dated _____; Addendum No. _____, dated _____; Addendum No. __, dated __
; Addendum No. _____, dated _____;

OFFEROR'S FULL, LEGAL NAME (PRINT)	F.E.I.N OR S.S. NUMBER
Street Address	City, State, Zip Code
Print Name / Title	Telephone No.
E-mail Address	Fax No.

Signature

Date**RETURN THIS PAGE ALONG WITH PROPOSAL**

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1. PURPOSE

The purpose of this Request for Proposals (RFP) is to obtain the services of a qualified Employee Benefits Consultant licensed to consult in the Commonwealth of Virginia. The awarded Consultant shall provide services for the design, proposal preparation, negotiation and implementation of the health care and employee benefit plans of the Fauquier County Government, and the Fauquier County School Board as well as provide advisory, consulting and communication services regarding benefits and insurance, year-round to the Fauquier County Government and the Fauquier County School Board. All services shall be provided in accordance with the specifications contained herein and attached hereto. This solicitation is issued by the Fauquier County Procurement Division on behalf of the Fauquier County and the Fauquier County School Board, political subdivisions of the Commonwealth of Virginia, herein referred to collectively for convenience as “Owner”.

- 1.1 For ease of reference, each organization submitting a response to the Request for Proposal will hereinafter be referred to as an “Offeror”. An Offeror whose proposal would result in a formal agreement will hereinafter be referred to as a “Consultant”.
- 1.2 The contents of the proposal submitted by the successful Offeror, this RFP (including general and special terms and conditions) and all modifications made thereof, will become part of any contract awarded as a result of this solicitation. The successful Consultant will be required to sign a contract with the Owner.

2.0 BACKGROUND/DEMOGRAPHICS:

- 2.1 The County of Fauquier is located in the north central Piedmont region of Virginia, approximately 40 miles southwest of the nation’s capital and approximately 80 miles northwest of Richmond, the state’s capital. The County encompasses a land area of approximately 660 square miles. The counties of Prince William, Stafford, Culpeper, Warren, Clarke, Loudoun and Rappahannock border Fauquier County. The Rappahannock River forms the county’s Western border. Interstate 66 runs East-West through the northern portion of the County. In addition, five U.S. primary routes and two state primary routes traverse the County.

Because of its proximity to Washington, D.C., the County has experienced consistent population growth rates over the past ten years. Despite the population growth, the County remains primarily rural in nature. The estimated population as of 2023 estimate is 75,165. Currently there are three (3) high schools, one (1) alternative school, four (4) middle schools and eleven (11) elementary schools in Fauquier County. At the time of this RFP there are 788 FTE or full time equivalent county employees and 1,808 FTE school employees.

Fauquier County Government and Public Schools Health/Dental Insurance Information:

Health/Dental Insurance: The group medical and dental insurance programs of the Owner are combined into one overall funding program. The program is of a minimum premium design subject to an aggregate attachment point and a specific stop loss of \$150,000.

Anthem Blue Cross Blue Shield administers the group medical and pharmacy benefits, and Delta Dental of VA administers the dental insurance program for Owner employees, their dependents and retirees.

The Anthem Plans are self-insured by the Owner. This means that the Owner has set up a fund into which payroll medical insurance deductions, as well as the Owner's share of the claims are deposited. Anthem processes claims from the hospitals, doctors, and other health care providers. The Owner is then billed for these paid claims and must reimburse Anthem for these costs.

The dental plans are fully-insured by Delta Dental of Virginia. We pay a monthly rate.

Annually, all employees are allowed to enroll, cancel their enrollment, or change their coverage during open enrollment. The plan year is July 1 - June 30. The medical plan options include KeyCare 10, KeyCare 15, HealthKeepers 10, HealthKeepers 20, and HDHP Plan, consumer driven plan. The dental options include a standard option and a high option.

The prescription plan is overseen by Carelon RX/Anthem BC/BS. The drug card is three-tier program. The participant has co-pays of \$10/20/35(or 20%). Tiers two and three have a \$150 deductible.

July 1, 2024 enrollment for County and Schools in the health plan is 2,102 (1,410 school and 692 county) and 2,097 (1,392 school and 705 county) in the dental plan. All Owner full-time permanent (30+ hours per week) and part-time permanent (20- 29 hours per week) employees are eligible for health and dental benefits. Part-time permanent employees pay a higher percentage of the premium than full-time employees.

The County has a health center for available for its employees. The Fauquier County Employee Wellness Center is free to employees, regardless of their insurance coverage, and to employee dependents, over the age of 6, if they are covered by Fauquier County's medical insurance. The center provides medical care to include sick visits, annual physicals, health coaching, occupational physicals, behavioral health services, and lab services with the goal of redirecting health care spend.

3. SCOPE OF SERVICES (GENERAL AND SPECIFIC)

3.1 Questions/Work Examples

The Offeror shall provide detailed answers, and Work Examples, to the following questions/requests:

- 3.1.1 How long has the offeror provided employee benefit consultant services?
- 3.1.2 How would you evaluate the option of remaining self-insured or seeking to move to a fully insured program?
- 3.1.3 Are there new coverage options that the County should consider in seeking proposals for health insurance services?
- 3.1.4 Provide a recent example of how your firm has assisted a client to effectively address the challenge of rising health care costs without drastically decreasing benefits to employees.

3.2 The successful Offeror shall:

- 3.2.1 Review and make recommendations to the Owner regarding existing and potential benefit plans and programs as well as modifications to the existing plan design, cost (rates), cost shares, and quality of employee benefit plans and programs.
- 3.2.2 Assist the Owner in the development of Request for Proposals (RFP) for the solicitation of future employee benefits plans and programs. This shall include, but not be limited to, assisting the Owner in the management of the (RFP) process and prepare a comprehensive report of the recommendations and make presentations to the owner regarding the selection

- recommendations.
- 3.2.3 Assist in the design, implementation and administration of new and existing programs in the following areas:
 - 3.2.3.1 Medical
 - 3.2.3.2 Dental
 - 3.2.3.3 Vision
 - 3.2.3.4 Life Insurance
 - 3.2.3.5 Accidental Death & Dismemberment
 - 3.2.3.6 Disability Insurance
 - 3.2.3.7 Long Term Care Insurance
 - 3.2.3.8 Pharmacy Carve Out Programs/Pharmacy Benefit management
 - 3.2.3.9 COBRA Outsourcing
 - 3.2.3.10 Family Medical Leave
 - 3.2.3.11 Employee Assistance and Behavior Health Programs
 - 3.2.3.10 Dependent Care Reimbursement Accounts/Medical Flexible Spending Accounts
 - 3.2.3.11 Consumer Directed Health Plans such as Health Savings and Health Reimbursement Accounts
 - 3.2.3.12 Third Party Benefit Administration & Record Keeping
 - 3.2.3.13 Wellness Center
 - 3.2.3.14 Wellness strategy and programs
 - 3.2.3.15 Employee Communications to multiple demographics/languages
 - 3.2.3.16 Retiree Health Insurance Benefits
- 3.2.4 Assist in developing and implementing contracts with selected health providers in accordance with the Owner's timeliness and requirements.
- 3.2.5 Provide proactive communication to all employees at the Owner's request and direction.
- 3.2.6 Provide regular and timely proactive communication of changes and proposed changes in federal and state statutes and/or regulations that may impact the Owner's employee benefit plans and programs.
- 3.2.7 Recommend procedures and/or policies to comply with changes and/or proposed changes federal and state statutes and/or regulations that may impact the Owner's employee benefit plans and programs.
- 3.2.8 Review and prepare analysis of all reports submitted by the Owner's plan providers and recommend additional reports as needed.
- 3.2.9 Perform research and provide responses to technical questions posed by the Owner.
- 3.2.10 Provide financial and/or performance reviews of Owner's employee benefit plans and programs.
- 3.2.11 Proactively provide the Owner with general guidance on current and future trends in employee benefit plans and programs, methods for improving cost containment, financial arrangements, and administration.
- 3.2.12 As requested provide Owner reports of other employers' employee benefit plans and programs to determine competitiveness; provide the Owner with annual benefit market studies.
- 3.2.13 Provide annual on-site training programs regarding legislative updates and/or best practice seminars.
- 3.2.14 Provide day-to-day proactive consultation on matters including, but not limited to, plan interpretation and problem resolution, including attendance at monthly meetings, or more often if necessary, to facilitate and assist in the management of the Owner's employee benefit plans and programs.
- 3.2.15 Make recommendations for items of negotiation and direct negotiation with employee benefit plan providers on matters including, but not limited to, premium rates, benefit levels, performance standards and guarantees, contractual terms and conditions, quality assurance standards, utilization and performance reports, statistical and/or financial reports, and plan specific data such as medical conditions, prescription drugs, high cost procedures, in-patient data, etc.
- 3.2.16 Provide such other services as requested by the Owner for which the consultant has the technical capability and capacity to render. Consultant shall quote additional projects and

services to the Owner on a per-project basis as a not-to-exceed fee or at contract hourly rates for services, whichever method is in the Owner's best interest.

- 3.2.17 Maintain full and accurate records with respect to all matters and services provided to the owner for a minimum of five (5) years from the date of award of this contract.
- 3.2.18 Assist the owner in budget preparation, including, but not limited to, cost trends and multiple year projections.
- 3.2.19 Meet with the County's Board of Supervisors, the County School Board, management staff and employee groups to explain benefit plan issues, changes, and their legal and financial impacts on employees and retirees, if requested. These meetings will be primarily during business hours; however, some meetings may extend later.
- 3.3 The successful Offeror shall:
 - 3.3.1 Analyze the Owner's contribution and employees' contribution for proper funding (Annual Requirement), and recommend employer and employee premium rate structure.
 - 3.3.2 Assist in the RFP process by preparing specifications, analyze the responses, and negotiate, as necessary, with Offerors and make recommendations to the governing body for award of coverage (As Required).
 - 3.3.3 Summarize in layman's language policy terms, exclusions, deductibles, claims reporting requirements and any other pertinent information (Annual Requirement - not later than April 1st of each year).
 - 3.3.4 Review existing employee communication/education plan and provide findings and recommendations.
 - 3.3.5 Provide "work plan" which utilizes who, what, how, when, why approach to solving issues/problems as identified in the above scope of services.
 - 3.3.6 Assist with administration of employee benefits program and employee communications.
 - 3.3.7 Provide up to date information concerning employee benefits issues such as trends and proposed legislation.
 - 3.3.8 Provide a source for answers to employee benefit problems as they occur.

4.0 PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

4.1 General Requirements

- 4.1.1 RFP Response. In order to be considered for selection, Offerors must submit a complete response to the RFP. **One (1) original must be submitted to the Owner via Bonfire.** The Offeror shall make no other distribution of the proposal. The cost for the proposal should meet the guidelines outlined in Section 4.2.9. *Offerors are strongly encouraged to keep their proposals as straight-forward and concise as possible while addressing all requirements outlined herein.*
- 4.1.2 Proposal Preparation
 - 4.1.2.1 An authorized representative of the Offeror shall sign proposal. All information requested should be submitted. Failure to submit all information requested may result in the Procurement Division requiring prompt submission of missing information and/or giving lowered evaluation of the proposal. Proposals which are substantially incomplete or lacking information may be rejected by the purchasing agency. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
 - 4.1.2.2 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.
 - 4.1.2.3 Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the

proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, and repeat the text of the requirement as it appears in the section of the RFP. If a response covers more than one page, the paragraph number should be repeated at the top of the next page. The proposal should contain a table of contents, which cross-references the RFP requirements. Information which the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. 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. The Offeror's proposal should provide all the information that it considers pertinent to its qualifications for the project and which respond to the Scope of Services described.

4.1.2.4 Each copy of the proposal should be bound or contained in a single volume where practical. All documents submitted with the proposal should be contained in that single volume.

4.1.2.5 Ownership of all data, materials and documentation originated and prepared for the Owner pursuant to the RFP will belong exclusively to the Owner and be subject to public inspection in accordance with the Virginia Freedom of Information Act (FOIA). Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia FOIA; however, the Offeror must invoke the protections of Section 2.2-4342 of the Code of Virginia, on the Proprietary Information form provided, 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 Owner reserves the right to ask for additional clarification prior to establishing protection.

4.2 Specific Proposal Requirements

4.2.1 Certification page, Insurance Checklist and the return of this completed RFP and any addenda, acknowledgments, signed and filled out as required.

4.2.2 Offerors understanding of the Scope of Service: The proposal should provide a statement of the Scope of Services in the Offeror's own words which demonstrate a complete understanding of the purpose and scope of the services requested in the RFP. The section should also include a statement as to why your firm should be considered for the services, and shall include answers/work samples requested in Section 3.1 and the Offeror's capability and qualifications to meet the requirements outlines in Sections 3.2 through 3.4. Offerors shall provide, in this section of their proposal response, their experience with Pharmacy carve-out programs. Offerors are hereby advised that participation and oversight of the Pharmacy carve-out program will not result in any Consultant compensation directly from the awarded Pharmacy provider for that service; this practice is not acceptable to the Owner.

4.2.3 The proposal should specify the individual(s) who would be assigned to the contract, the level of their experience including credentials, related experience, training, and education of the personnel.

4.2.4 The experience of the Offeror relative to the performance of this contract should be described. The proposal should specify all the Offeror's experience with similar projects, preferably Governmental and School. The Offeror shall provide reference letters from at

least two (2) County and two (2) Schools for which the Offeror has provided services which directly relate to the Scope of Services herein.

- 4.2.5 Offeror shall provide verification that they are licensed for this type of services as required by the Code of Virginia.
- 4.2.6 Offeror shall provide the location of the office that will have the responsibility for providing services, and any other factors related to response and on-site meeting capability.
- 4.2.7 Offeror shall provide a detailed statement describing any special terms and condition of this service, and shall acknowledge acceptance of the RFP inclusive of the terms and conditions, or clearly state exception to specific areas of the RFP in this section of their response, identifying the section exception is taken to, the reason for the exception, and any proposed language in place of the exception on the Exception Form provided in the RFP.
- 4.2.8 Offeror shall provide sample documents and/or reports, which shall include, but not be limited to Work Plan, Strategic Planning Report, Claims Experience Audit Report, etc.
- 4.2.9 Offeror shall provide pricing options as noted on the Fee Schedule template provided herein, and shall detail proposed cost and billing procedures whether hourly and/or fee based per project, or commission based, in their proposal response. The successful Offeror may bill for all reasonable expenses for travel (lodging, airfare, and any other related items) required at the request of the Owner, with the Owner's written guidelines. Maximum travel reimbursement amount shall be negotiated before a contract is executed.

5.0 EVALUATION AND AWARD CRITERIA

5.1 Evaluation Criteria. An Evaluation Committee will evaluate the proposals using the following criteria.

- 5.1.1 Concept and proposed solutions, including responsiveness of the Offeror to the specifications for services and understanding, methodology and approach of the Owner, in addition to evidence of good organization and management practices (40 points);
- 5.1.2 Specific experience and credentials of the firm, individual(s) who will be assigned and/or be responsible for the services enumerated in the RFP (25 points);
- 5.1.3 Letters of reference from other clients for who the firm has performed similar tasks in the past five years. Offerors are requested to provide a minimum of two (2) governmental and two (2) school references (15 points);
- 5.1.4 Completeness and clarity and overall quality of the written proposal, and the impact of any/all exceptions taken (10 points);
- 5.1.5 Detailed fee proposal in conformance to this RFP/Cost of Services (10 points).

5.2 Award of Contract: Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the Owner shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror. The Owner may cancel this Request for Proposals 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 (Section 2.2-4319, Code of Virginia). Should the Owner determine 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 Owner reserves the right to request interviews with top-ranked Offerors as part of

the evaluation process. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Offeror's proposal as negotiated.

6.0 ADDITIONAL INFORMATION:

- 6.1 Ownership of Documents: Any reports, studies, photographs, negatives, or other documents prepared by the Offeror in the performance of its obligations under this contract shall be the exclusive property of the Owner, and all such materials shall be remitted to the Owner by Offeror upon completion, termination or cancellation of the contract. Offeror shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Offeror's obligations under this contract without the prior written consent of the Owner.
- 6.2 Insurance Requirements: By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the insurance coverage specified on the attached Insurance Checklist at the time the work commences and that it will maintain all required insurance coverage during the entire term of the contract with coverage provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. The Consultant shall furnish the certificate of insurance for the coverage required, endorsed to name Fauquier County and Fauquier County School Board as additional insured, within five business days of the request, and shall continue to provide compliant insurance certificates throughout the term of the contract.
- 6.3 No Contact Policy: No Offeror shall initiate or otherwise have contact with any Owner representative or employee, other than the Procurement Division, after the date and time established for receipt of proposals. Any contact initiated by an Offeror with any Owner representative, other than the Procurement Department, concerning this RFP is prohibited. Any such unauthorized contact may cause the disqualification of the Offeror from this procurement process.
- 6.4 Unacceptable Performance: The Owner reserves the right to inspect all operations and to withhold payment for any work not performed or performed not in accordance with the specifications/contract documents. Payments withheld for unsatisfactory performance may be released upon receipt of satisfactory evidence that the work has been corrected to the Owner's satisfaction. These corrections shall be at no cost to the Owner. The Consultant shall correct deficiencies within 24 hours of notice by telephone or in writing. Failure to do so shall be cause for withholding of payment for the service and may result in default action.
- 6.5 Invoice/Method of Payment: The Consultant shall submit invoices, listing the services performed and completed. Invoice must show: Purchase order number, contract number, date of service, breakdown by individuals who are performing the work and will show the work performed, as well as, the accrued time spend for each. Invoices must breakdown by either Fauquier County Government & Public Schools. Invoices shall be submitted to Fauquier County Human Resources Department, 320 Hospital Drive, Suite 38, Warrenton, VA 20186, as noted on the Purchase Order for services.
- 6.6 Term of Contract and Extension: The initial term of this contract shall be for one year from date of award, and shall be subject to annual renewals. Such renewals will be contingent upon the satisfactory performance by the Consultant, approval of both parties, and subject to the successful negotiation of the related fees. This contract may be renewed by the Owner upon written agreement

of both parties for five (5) successive one-year periods, under the terms of the current contract, and at a reasonable time (approximately 90 days) prior to the expiration.

- 6.7 Exclusion: The successful Consultant will not be allowed to sell insurance to the County and Schools and will be excluded from bidding on any of the County and Schools insurance requirements, as well as, receiving any compensation from insurance companies, brokers or agencies and receiving any form of compensation for providing direct savings to the County and Schools as a result of services performed which would be required as remuneration outside the predetermined fee structure.
- 6.8 Contract Administration: The successful administration of this contract will require close coordination with the Contract Administrator. The Procurement Division has been designated the Human Resources Director as the Contract Administrator. This individual is the interpreter of the conditions of the contract and the judge of its performance. He/she will use all powers under the contract to enforce its faithful performance. The Contract Administrator will determine the amount, quality, acceptability, and fitness in all aspects of the work and shall decide all other questions in connection with the work. Any modifications made must be authorized by the Purchasing Agent and issued as a written amendment to the Contract.
- 6.9 Proof of Authority/SCC Form: State Corporation Commission (SCC) registration requirements effective July 1, 2010 require that all proposals shall include the identification number issued by the State Corporation Commission as proof of registration or justification for non-registration per the requirements noted in the applicable paragraph of the General Conditions and Instructions to Bidders/Offerors. Offerors shall utilize the form in the RFP to provide their State Corporation Commission Identification Number or justification for non-registration. The SCC may be reached at (804) 371-9733 or at www.scc.virginia.gov/default.aspx. Failure to include this form with the proposal submission may result in rejection of the proposal.

GENERAL TERMS, CONDITIONS AND INSTRUCTIONS TO BIDDERS/OFFERORS

Revised 08/05/2021

Vendor: These general rules and conditions shall apply to all purchases and be a part of each solicitation and every contract awarded by the Procurement Division, unless otherwise specified. The Procurement Division is responsible for the purchasing activity of Fauquier County, which is comprised of the Fauquier County Board of Supervisors, a body politic and political subdivision of the Commonwealth of Virginia, and the Constitutional Officers of Fauquier County, Virginia, and the Fauquier County School Board, a body corporate. The term "Owner" as used herein refers to the contracting entity which is the signatory on the contract and may be either Fauquier County or the Fauquier County School Board, or both. Bidder/Offeror or their authorized representatives are expected to inform themselves fully as to the conditions, requirements, and specifications before submitting bids/proposals: failure to do so will be at the bidder's/Offeror's own risk and except as provided by law, relief cannot be secured on the plea of error.

Subject to all Federal, State and local laws, policies, resolutions, regulations, rules, limitations and legislation, bids/proposals on all solicitations issued by the Procurement Division will bind bidders/Offerors to applicable conditions and requirements herein set forth unless otherwise specified in the solicitation.

1. **AUTHORITY**-Except as delegated in the Procurement Procedures Manual, the Purchasing Agent has the sole responsibility and authority for negotiating, placing and when necessary modifying every solicitation, contract and purchase order issued by the Owner. In the discharge of these responsibilities, the Purchasing Agent may be assisted by assigned buyers. Unless specifically delegated by the Purchasing Agent, no other Owner officer or employee is authorized to order supplies or services, enter into purchase negotiations or contracts, or in any way obligate the Owner for an indebtedness. Any purchase order or contract made which is contrary to these provisions and authorities shall be of no effect and void and the Owner shall not be bound thereby.
2. **COMPETITION INTENDED:** It is the Owner's intent that this solicitation permit competition. It shall be the Bidder's/Offeror's responsibility to advise the Purchasing Agent in writing if any language, requirement, specification, etc., or any combination thereof, stifles competition or inadvertently restricts or limits the requirements stated in this solicitation to a single source. The Purchasing Agent must receive such notification not later than five (5) business days prior to the deadline set for acceptance of the bids/proposals.

CONDITIONS OF BIDDING

3. **CLARIFICATION OF TERMS:** Unless otherwise specified, if any Bidder/Offeror has questions about the specifications or other solicitation documents, the prospective Bidder/Offeror should contact the buyer whose name appears on the face of the solicitation no later than five (5) business days prior to the date set for the opening of bids or receipt of proposals. Any revisions to the solicitation will be made only by addendum issued by the Buyer. Notifications regarding specifications may not be considered if received in less than five (5) business days of the date set for opening of bids/receipt of proposals.
4. **MANDATORY USE OF OWNER FORMS AND TERMS AND CONDITIONS:** Failure to submit a bid/proposal on the official Owner forms provided for that purpose shall be a cause for rejection of the bid/proposal. Unauthorized modification of or additions to any portion of the Invitation to Bid or Request for Proposal may be cause for rejection of the bid/proposal. However, the Owner reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject any bid or proposal which has been modified.
5. **LATE BIDS/PROPOSALS & MODIFICATION OF BIDS/PROPOSALS:**
Any bid/proposal/modification received at the office designated in the solicitation after the exact time specified for receipt of the bid/proposal/modification is considered a late bid/proposal/modification. The Owner is not responsible for delays in the delivery of the mail by the U.S. Postal Service, private carriers or the inter-office mail system. It is the sole responsibility of the Bidder/Offeror to ensure their bid/proposal reaches the Procurement Division by the designated date and hour.
 - a. The official time used in the receipt of bids/proposals is that time stamp within the Bonfire Portal.
 - b. Late bids/proposals/modifications will be returned to the Bidder/Offeror UNOPENED, if solicitation number, acceptance date and Bidder/Offeror's return address is shown on the container.
 - c. If the Owner closes its offices due to inclement weather or other unforeseen emergency scheduled bid openings or receipt of proposals will be extended to the next business day, same time.
6. **WITHDRAWAL OF BIDS/PROPOSALS:**
A Bidder/Offeror for a contract other than for public construction may request withdrawal of his or her bid/proposal under the following circumstances:
 - a. Bids/Proposals may be withdrawn on written request from the Bidder/Offeror received at the address shown in the solicitation prior to the time of acceptance.
 - b. Requests for withdrawal of bids/proposals after opening of such bids/proposals but prior to award shall be transmitted to the Purchasing Agent, in writing, accompanied by full documentation supporting the request. If the request is based on a claim of error, documentation must show the basis of the error. Such documentation may take the form of supplier quotations, vendor work sheets, etc. If bid bonds were tendered with the bid, the Owner may exercise its right of collection.No Bid/Proposal may be withdrawn under this paragraph when the result would be the awarding of the contract on another bid/Proposal of the same bidder/Offeror or of another bidder/Offeror in which the ownership of the withdrawing bidder/Offeror is more than five percent. In the case of Invitation for Bids, if a bid is withdrawn under the authority of this paragraph, the lowest remaining bid shall be deemed to be the low bid. No bidder/Offeror that is permitted to withdraw a bid/proposal shall, for compensation, supply any material or labor to or perform any subcontract or other work agreement for the person or firm to whom the contract is awarded or otherwise benefit, directly or indirectly, from the performance of the project for which the withdrawn bid/proposal was submitted.
7. **ERRORS IN BIDS/PROPOSALS** – When an error is made in extending total prices, the unit bid price will govern. Erasures in bids/proposals must be initialed by the bidder/Offeror. Carelessness in quoting prices, or in preparation of bid/proposal otherwise, will not relieve the Bidder/Offeror. Bidders/Offeror's are cautioned to recheck their bids/proposals for possible error. Errors discovered after public opening cannot be corrected and the bidder will be required to perform if his or her bid is accepted.
8. **IDENTIFICATION OF BID/PROPOSAL ENVELOPE:** The signed bid/proposal and requested copies should be returned in a separate envelope or package, sealed and identified with the following information:

ADDRESSED AS INDICATED ON PAGE 1

IFB/RFP NUMBER

TITLE

BID/PROPOSAL DUE DATE AND TIME

VENDOR NAME AND COMPLETE MAILING ADDRESS (RETURN ADDRESS)

If a bid/proposal is not addressed with the information as shown above, the Bidder/Offeree takes the risk that the envelope may be inadvertently opened and the information compromised, which may cause the bid/proposal to be disqualified. Bids/Proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

9. **ACCEPTANCE OF BIDS/PROPOSALS:** Unless otherwise specified, all formal bids/proposals submitted shall be valid for a minimum period of one hundred twenty (120) calendar days following the date established for acceptance. At the end of the one hundred twenty (120) calendar days the bid/proposal may be withdrawn at the written request of the Bidder/Offeree. If the proposal is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.
10. **CONDITIONAL BIDS:** Conditional bids are subject to rejection in whole or in part.
11. **BIDDERS PRESENT:** At the time fixed for the opening of responses to a bid, bid contents will be made public for the information of bidders and other interested parties who may be present either in person or by representative. All bids will be opened at the time and place specified and read publicly. Bid tabulations are posted on the Procurement Division's Bulletin Board for a minimum of 10 days from award date. At the time fixed for the receipt of responses for Request for Proposals, only the names of the Offerors will be read and made available to the public.
12. **RESPONSE TO SOLICITATIONS:** In the event a vendor cannot submit a bid on a solicitation, the vendor is requested to return the solicitation cover sheet with an explanation as to why the vendor is unable to bid on these requirements. Because of the large number of firms listed on the Owner's Bidders List, it may be necessary to delete from this list the names of those persons, firms or corporations who fail to respond after having been invited to bid for three (3) successive solicitations. Such deletion will be made only after formal notification of the intent to remove the firm from the Owner's Bidders List.
13. **BIDDER INTERESTED IN MORE THAN ONE BID:** If more than one bid is offered by any one party, either directly or by or in the name of his or her clerk, partner, or other persons, all such bids may be rejected. A party who has quoted prices on work, materials, or supplies to a bidder is not thereby disqualified from quoting prices to other bidders or firms submitting a bid directly for the work, materials or supplies.
14. **TAX EXEMPTION:** The Owner is exempt from the payment of any federal excise or any Virginia sales tax. The price bid must be net, exclusive of taxes. Tax exemption certificates will be furnished if requested by the Bidder/Offeree.
15. **DEBARMENT STATUS:** By submitting their bids/proposals, Bidders/Offerees certify that they are not currently debarred from submitting bids/proposals on contracts by the Owner, nor are they an agent of any person or entity that is currently debarred from submitting bids or proposals on contracts by the Owner or any agency, public entity/locality or authority of the Commonwealth of Virginia.
16. **ETHICS IN PUBLIC CONTRACTING:** The provisions contained in *Code of Virginia* §§ 2.2-4367 through 2.2-4377 (the Virginia Public Procurement Act), as amended from time to time, shall be applicable to all contracts solicited or entered into by the Owner. By submitting their bids/proposals, all Bidders/Offerees certify that their bids/proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Bidder, Offeror, supplier, manufacturer or subcontractor in connection with their bid/proposal, and that they have 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.
17. **NO CONTACT POLICY:** No Bidder/Offeree shall initiate or otherwise have contact related to the solicitation with any Owner representative or employee, other than the Procurement Division, after the date and time established for receipt of bids/proposals. Any contact initiated by a Bidder/Offeree with any Owner representative, other than the Procurement Division, concerning this solicitation is prohibited and may cause the disqualification of the Bidder/Offeree from this procurement process.
18. **VIRGINIA FREEDOM OF INFORMATION ACT:** All proceedings, records, contracts and other public records relating to procurement transactions shall be open to the inspection of any citizen, or any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act (*Code of Virginia* § 2.2-3700 *et. seq.*) and § 2.2-4342 of the Virginia Public Procurement Act except as provided below:
 - a. Cost estimates relating to a proposed procurement transaction prepared by or for a public body shall not be open to public inspection.
 - b. Any competitive sealed bidding bidder, upon request, shall be afforded the opportunity to inspect bid records within a reasonable time after the opening of bids but prior to award, except in the event that the Owner decides not to accept any of the bids and to reopen the contract. Otherwise, bid records shall be open to public inspection only after award of the contract. Any competitive negotiation Offeror, upon request, shall be afforded the opportunity to inspect proposal records within a reasonable time after the evaluation and negotiations of proposals are completed but prior to award except in the event that the Owner decides not to accept any of the proposals and to reopen the contract. Otherwise, proposal records shall be open to the public inspection only after award of the contract except as provided in paragraph "c" below. Any inspection of procurement transaction records under this section shall be subject to reasonable restrictions to ensure the security and integrity of the records.
 - c. Trade secrets or proprietary information submitted by a bidder, Offeror or contractor in connection with a procurement transaction shall not be subject to public disclosure under the Virginia Freedom of Information and Virginia Public Procurement Acts; however, the bidder, Offeror or contractor must invoke the protections of this section prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary.
 - d. Nothing contained in this section shall be construed to require the Owner, when procuring by "competitive negotiation" (Request for Proposal), to furnish a statement of reasons why a particular proposal was not deemed to be the most advantageous to the Owner.
19. **CONFLICT OF INTEREST:** Contractor certifies by signing bid to the Owner that no conflict of interest exists between Contractor and Owner that interferes with fair competition and no conflict of interest exists between Contractor and any other person or organization that constitutes a conflict of interest with respect to the contract with the Owner.

SPECIFICATIONS

20. **BRAND NAME OR EQUAL ITEMS:** Unless otherwise provided in the solicitation, the name of a certain brand, make or manufacturer does not restrict bidders to the specific brand, make or manufacturer named; it conveys the general style, type, character, and quality of the article desired, and any article which the Owner in its sole discretion determines to be the equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The Bidder is responsible to clearly and specifically indicate the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the Owner to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified. Normally in competitive sealed bidding, only the information furnished with the bid will be considered in the evaluation. Failure to furnish adequate data for evaluation purposes may result in declaring a bid non-responsive. Unless the Bidder clearly indicates in its bid/proposal that the product offered is "equal" product, such bid/proposal will be considered to offer the brand name product referenced in the solicitation.
21. **FORMAL SPECIFICATIONS:** When a solicitation contains a specification which states no substitutes, no deviation therefrom will be permitted and the bidder will be required to furnish articles in conformity with that specification.
22. **OMISSIONS & DISCREPANCIES:** Any items or parts of any equipment listed in this solicitation which are not fully described or are omitted from such specification, and which are clearly necessary for the completion of such equipment and its appurtenances, shall be considered a part of such equipment although not directly specified or called for in the specifications.
- The Bidder/Offeree shall abide by and comply with the true intent of the specifications and not take advantage of any unintentional error or omission, but shall fully complete every part as the true intent and meaning of the specifications and drawings. Whenever the mention is made of any articles, material or workmanship to be in accordance with laws, ordinances, building codes, underwriter's codes, A.S.T.M. regulations or similar expressions, the requirements of these laws, ordinances, etc., shall be construed as to the minimum requirements of these specifications.
23. **CONDITION OF ITEMS:** Unless otherwise specified in the solicitation, all items shall be new, in first class condition.

AWARD

24. **AWARD OR REJECTION OF BIDS:** The Purchasing Agent shall award the contract to the lowest responsive and responsible bidder complying with all provisions of the IFB, provided the bid price is reasonable and it is in the best interest of the Owner to accept it. Awards made in response to a RFP will be made to the highest qualified Offeror whose proposal is determined, in writing, to be the most advantageous to the Owner taking into consideration the evaluation factors set forth in the RFP. The Purchasing Agent reserves the right to award a contract by individual items, in the aggregate, or in combination thereof, or to reject any or all bids/proposals and to waive any informality in bids/proposals received whenever such rejection or waiver is in the best interest of the Owner. Award may be made to as many bidders/Offeror's as deemed necessary to fulfill the anticipated requirements of the Owner. The Purchasing Agent also reserves the right to reject the bid if a bidder is deemed to be a non-responsive bidder.
25. **ANNOUNCEMENT OF AWARD:** Upon the award or announcement of the decision to award a contract as a result of this solicitation, the Procurement Division will publicly post such notice on the Procurement Website at <http://www.fauquiercounty.gov/government/departments-h-z/procurement>
26. **QUALIFICATIONS OF BIDDERS OR OFFERORS:** The Owner may make such reasonable investigations as deemed proper and necessary to determine the ability of the Bidder/Offeree to perform the work/furnish the item(s) and the Bidder/Offeree shall furnish to the Owner all such information and data for this purpose as may be requested. The Owner reserves the right to inspect Bidder's/Offeror's physical facilities prior to award to satisfy questions regarding the Bidder's/Offeror's capabilities. The Owner further reserves the right to reject any bid or proposal if the evidence submitted by or investigations of, such Bidder/Offeree fails to satisfy the Owner that such Bidder/Offeree is properly qualified to carry out the obligations of the contract and to complete the work/furnish the item(s) contemplated therein.
27. **TIE BIDS:** In the case of a tie bid, the Owner may give preference to goods, services and construction produced in Fauquier County or provided by persons, firms or corporations having principal places of business in the County. If such choice is not available, preference shall then be given to goods and services produced in the Commonwealth pursuant to *Code of Virginia* § 2.2-4324. If no County or Commonwealth choice is available, the tie shall be decided by lot.

CONTRACT PROVISIONS

28. **APPLICABLE LAW AND COURTS:** Any contract resulting from this solicitation shall be governed and construed in all respects by the laws of Virginia, and any litigation with respect thereto shall only be brought in the appropriate General District or Circuit Court of Fauquier County, Virginia. The Contractor shall comply with all applicable federal, state and local laws and regulations.
29. **ANTITRUST:** By entering into a contract, the Contractor conveys, sells, assigns, and transfers to the Owner all rights, title and interest in and to all causes of the 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 Owner under said contract. This includes, but is not limited to, overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations that arise under United States' or the Commonwealth's antitrust laws. Consistent and continued tie bidding could cause rejection of bids by the Purchasing Agent and/or investigation for antitrust violations.
30. **INVOICING AND PAYMENT TERMS:** Unless otherwise provided in the solicitation payment will be made forty-five (45) days after receipt of a proper invoice, or forty-five (45) days after receipt of all goods or acceptance of work, whichever is the latter.
- a. Invoices for items/services ordered, delivered/performed and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the contract number, purchase order number, and any federal employer identification number.
 - b. Any payment terms requiring payment in less than 45 days will be regarded as requiring payment 45 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 45 days, however.
 - c. The date of payment shall be deemed the date of postmark in all cases where payment is made by mail.
 - d. The Owner's fiscal year is July 1 - June 30. Contractors must submit invoices, especially for goods and/or services provided in the month of JUNE, for the entire month i.e. June 1 - June 30, so that expenses are recognized in the appropriate fiscal year.
 - e. Any payment made by the Contractor to the Owner shall only be made in U.S. Dollars. If payment is received in foreign currency the Owner may, in its sole discretion, reject such payment and require immediate compensation in U.S. Dollars.
31. **PAYMENT TO SUBCONTRACTORS:** A contractor awarded a contract under this solicitation is hereby obligated:
- a. To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Owner for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or

b. To notify the Owner and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month compounded monthly (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 Owner, except for amounts withheld as stated in 2 above. The date of mailing of any payment by postage prepaid U.S. Mail is deemed to be payment to the addressee. These provisions apply to each subtier 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 Owner.

32. **ASSIGNMENT OF CONTRACT:** A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Purchasing Agent.

33. **DEFAULT:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Owner, 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 another remedies which the Owner may have.

34. **ANTIDISCRIMINATION:** By submitting their bids/proposals, Bidders/Offeree's certify to the Owner 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, the Virginia Human Rights Act (*Code of Virginia* § 2.2-3900 *et seq.*) and § 2.2-4311 of the Virginia Public Procurement Act. 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*, § 2.2-4343.1(E)).

In every contract over \$10,000 the provisions in A and B below apply:

a. During the performance of this contract, the Contractor agrees as follows:

1. The 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.

2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.

3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

b. The Contractor will include the provisions of a. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

35. **CHANGES TO THE CONTRACT:** Changes can only be made to the contract in one of the following ways:

a. 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.

b. The Owner 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, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. 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 Owner a credit for any savings. Said compensation shall be determined by one of the following methods.

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

2. By agreeing in writing 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 Owner's right to audit the Contractor's records and/or determine the correct number of units independently; or

3. 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 Owner with all vouchers and records of expenses incurred and savings realized. The Owner 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 Procurement Division within thirty (30) days from the date of receipt of the written order from the Procurement Division. If the parties fail to agree on an amount of adjustment, the questions of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for relieving disputes provided by the Disputes Clause of this contract. 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 Owner or with the performance of the contract generally.

c. No modification for a fixed price contract may be increased by more than 25% or \$50,000, whichever is greater without the advanced written approval of the Board of Supervisors or the School Board, as applicable.

36. **INDEMNIFICATION:** Contractor shall indemnify, keep and save harmless the Owner, its agents, officials, employees and volunteers against claims of injuries, death, damage to property, patent claims, suits, liabilities, judgments, cost and expenses which may otherwise accrue against the Owner in consequence of the granting of a contract or which may otherwise result therefrom, if it shall be determined that the act was caused through negligence or error, or omission of the Contractor or his or her employees, or that of the subcontractor or his or her employees, if any; and the Contractor shall, at his or her own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith; and if any judgment shall be rendered against the Owner in any such action, the Contractor shall, at his or her own expenses, satisfy and discharge the same. Contractor expressly understands and agrees that any performance bond or insurance protection required by this contract, or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify, keep and save harmless and defend the Owner as herein provided.

37. **DRUG-FREE WORKPLACE:** During the performance of this contract, 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 in accordance with this chapter, 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.

38. **TERMINATION:** Subject to the provisions below, the contract may be terminated by the Owner upon thirty (30) days advance 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 orders issued prior to the effective date of cancellation.
- Termination for Convenience:** In the event that the contract is terminated upon request and for the convenience of the Owner, without the required thirty (30) days advance notice, then the Owner shall be responsible for payment of services up to the termination date.
 - Termination for Cause:** Termination by the Owner for cause, default or negligence on the part of the contractor shall be excluded from the foregoing provision; termination costs, if any shall not apply. However, pursuant to the Default provision of these General Conditions, the Owner may hold the contractor responsible for any resulting additional purchase and administrative costs. The thirty (30) days advance notice requirement is waived in the event of Termination for Cause.
 - Termination Due to Unavailability of Funds in Succeeding Fiscal Years:** When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract shall be canceled without any liability or penalty to Owner.

39. USE OF CONTRACT BY OTHER PUBLIC BODIES: Except as prohibited by the current *Code of Virginia*, all resultant contracts will be extended, with the authorization of the Contractor, to other public bodies of the Commonwealth of Virginia and all currently active members of the Metropolitan-Washington Council of Governments (MWCOG) or, Mid-Atlantic Purchasing Team, to permit their ordering of supplies and/or services at the prices and terms of the resulting contract. If any other public body decides to use the final contract, the Contractor must deal directly with that public body concerning the placement or orders, issuance of the purchase order, contractual disputes, invoicing and payment. Fauquier County acts only as the “Contracting Agent” for these public bodies. Any resulting contract with other public bodies shall be governed by the laws of that specific entity. It is the Contractor’s responsibility to notify the public bodies of the availability of the contract. Fauquier County shall not be held liable for any costs or damage incurred by another public body as a result of any award extended to that public body by the Contractor.

40. **AUDIT:** The Contractor hereby agrees to retain all books, records and other documents relative to this contract for five years after final payment, or until audited by the Owner, whichever is sooner. The agency, its authorized agents, and/or Owner auditors shall have full access to and right to examine any of said materials during said period.
41. **SEX OFFENDER REGISTRY NOTIFICATION:** The Contractor shall not employ on school property any employee who is a registered sex offender and shall enforce the same restriction upon all sub-contractors and agents of Contractor. Prior to starting work and quarterly during performance of the work, the Contractor shall check the Virginia State Police Sex Offender Registry to verify sex offender status of all employees and agents of Contractor and Sub-Contractors who are employed on school property by the Contractor or Sub-Contractor. The Contractor shall furnish the Owner with evidence verifying compliance with the services.

Prior to starting work on-site, the Contractor shall submit a completed Fauquier County Public Schools “CERTIFICATION OF NO CRIMES AGAINST CHILDREN” form, a copy of which is included in this solicitation.

42. **COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS AND FEDERAL IMMIGRATION LAW:** During the term of any contract, the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth of Virginia, knowingly employ an unauthorized alien as defined in the Federal Immigration Reform and Control Act of 1986.
43. **ASBESTOS NOTIFICATION:** As required by the Environmental Protection Agency Asbestos Hazard Emergency Response Act 40 CFR, subpart E, 763.93, information regarding asbestos inspections, response actions, and post response activities is on file in a full asbestos report located in the main office of each school. Contractors bear full responsibility to review this material prior to commencing any activity at a school site.
44. **VIRGINIA STATE CORPORATION COMMISSION:** If required by law, the Contractor shall maintain a valid certificate of authority or registration to transact business in Virginia with the Virginia State Corporation Commission as required by Title 13.1 of the *Code of Virginia*, during the term of the Contract or any Contract renewal. The Contractor shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth to be revoked or cancelled at any time during the terms of the contract. If the Contractor fails to remain in compliance with the provisions of this section, the contract is voidable at the option of Owner.
45. **ADA WEBSITE-RELATED ACCESSIBILITY:** Any Contractor who performs services, designs, develops content, maintains or otherwise bears responsibility for the content and format of Owner’s website(s) or third-party programs accessed through Owner’s website(s), acknowledges receipt of, and responsibility to implement the accessibility standards found in the U.S. Department of Justice publication entitled “Accessibility of State and Local Government Websites to People with Disabilities,” available at www.ada.gov/websites2.htm or, as attached directly to the solicitation. Contractor services as noted, shall conform to § 508 of Title III of the Americans with Disabilities Act (ADA) and the World Wide Web Consortium’s (W3C) Web Content Accessibility Guidelines (WCAG 2.0 AA), most current versions, in addition to the Owner’s web accessibility policy.

DELIVERY PROVISION

46. **SHIPPING INSTRUCTIONS-CONSIGNMENT:** Unless otherwise specified in the solicitation each case, crate, barrel, package, etc., delivered under the contract must be plainly stenciled or securely tagged, stating the Contractor’s name, purchase order number, and delivery address as indicated in the order. Where shipping containers are to be used, each container must be marked with the purchase order number, name of the Contractor, the name of the item, the item number, and the quantity contained therein. Deliveries must be made within the hours of 8:00 a.m. – 2:30 p.m. Deliveries at any other time will not be accepted unless specific arrangements have been previously made with the designated individual at the delivery point. No deliveries will be accepted on Saturdays, Sundays and holidays unless previous arrangements have been made. It shall be the responsibility of the contractor to insure compliance with these instructions for items that are drop-shipped.
47. **RESPONSIBILITY FOR SUPPLIES TENDERED:** The Contractor shall be responsible for the materials or supplies covered by the contract until they are delivered at the designated point, but the Contractor shall bear all risk on rejected materials or supplies after notice of rejection. Rejected materials or supplies must be removed by and at the expense of the contractor promptly after notification of rejection, unless public health and safety require immediate destruction or other disposal of rejected delivery. If rejected materials are not removed by the Contractor within ten (10) days after date of notification, the Owner may return the rejected materials or supplies to the Contractor at his or her risk and expense or dispose of them as its own property.
48. **INSPECTIONS:** The Owner reserves the right to conduct any test/inspection it may deem advisable to assure supplies and services conform to the specification. Inspection and acceptance of materials or supplies will be made after delivery at destinations herein specified unless otherwise stated. If inspection

is made after delivery at destination herein specified, the Owner will bear the expense of inspection except for the value of samples used in case of rejection. Final inspection shall be conclusive except in regard to latent defects, fraud or such gross mistakes as to amount to fraud. Final inspection and acceptance or rejection of the materials or supplies will be made as promptly as practicable, but failure to inspect and accept or reject materials or supplies shall not impose liability on the Owner for such materials or supplies as are not in accordance with the specifications.

49. **COMPLIANCE:** Delivery must be made as ordered and in accordance with the solicitation or as directed by the Procurement Division when not in conflict with the bid/contract. The decision as to reasonable compliance with delivery terms shall be final. Burden of proof of delay in receipt of goods by the purchaser shall rest with the Contractor. Any request for extension of time of delivery from that specified must be approved by the Procurement Division, such extension applying only to the particular item or shipment affected. Should the Contractor be delayed by the Owner, there shall be added to the time of completion a time equal to the period of such delay caused by the Owner. However, the contractor shall not be entitled to claim damages of extra compensation for such delay or suspension. These conditions may vary for construction contracts.
50. **POINT OF DESTINATION:** All materials shipped to the Owner must be shipped F.O.B. DESTINATION unless otherwise stated in the contract. The materials must be delivered to the "Ship To" address indicated on the purchase order.
51. **REPLACEMENT:** Materials or components that have been rejected by the Procurement Division, in accordance with the terms of the contract, shall be replaced by the Contractor at no cost to the Owner.
52. **PACKING SLIPS OR DELIVERY TICKETS:** All shipments shall be accompanied by Packing Slips or Delivery Tickets and shall contain the following information for each item delivered:
- Purchase Order Number,
 - Name of Article and Stock Number,
 - Quantity Ordered,
 - Quantity Shipped,
 - Quantity Back Ordered,
 - The Name of the Contractor.

Contractors are cautioned that failure to comply with these conditions shall be considered sufficient reason for refusal to accept the goods.

BIDDER/CONTRACTOR REMEDIES

53. **PROTEST OF AWARD OR DECISION TO AWARD:** Any Bidder/Offeree who desires to protest the award or decision to award a contract, by either Fauquier County or the Fauquier County School Board, shall submit such protest in writing to the County Administrator (if the award or decision to award was made by Fauquier County) or the Superintendent of Schools (if the award or decision to award was made by the Fauquier County School Board), no later than ten (10) days after public notice of the award or announcement of the decision to award, whichever comes first. No protest shall lie for a claim that the selected bidder/Offeree is not a responsible bidder/Offeree. The written protest shall include the basis for the protest and the relief sought. The County Administrator or the Superintendent of Schools, as the case may be, shall issue a decision in writing within ten (10) days stating the reasons for the action taken. This decision shall be final unless the bidder/Offeree appeals within ten (10) days of the written decision by instituting legal action as provided in § VIII.H.3 of the County's Procurement Policy. Nothing in this paragraph shall be construed to permit an Offeree to challenge the validity of the terms or conditions of the solicitation.
54. **DISPUTES:** Contractual claims, whether for money or other relief, shall be submitted in writing to the Superintendent of Schools (if the claim is against the Fauquier County School Board) or the County Administrator (if the claim is against Fauquier County) no later than sixty (60) days after final payment; however, written notice of the Contractor's intention to file such claim shall have been given at the time of the occurrence or beginning of the work upon which the claim is based. Nothing herein shall preclude a contract from requiring submission of an invoice for final payment within a certain time after completion and acceptance of the work or acceptance of the goods. Pendency of claims shall not delay payment of amount agreed due in the final payment. A written decision upon any such claims will be made by the School Board (if the claim is against the Fauquier County School Board) or the County Board of Supervisors (if the claim is against Fauquier County) within sixty (60) days after submittal of the claim. The Contractor may not institute legal action prior to receipt of the School Board or Board of Supervisors (whichever is applicable) decision on the claim unless the applicable party fails to render such decision within sixty (60) days. The decision of the School Board or Board of Supervisors (as applicable) shall be final and conclusive unless the Contractor within six (6) months of the date of the final decision on a claim, initiates legal action as provided in *Code of Virginia* § 2.2-4364. Failure of the School Board or Board of Supervisors to render a decision within sixty (60) days shall not result in the Contractor being awarded the relief claimed nor shall it result in any other relief or penalty. Should the School Board or Board of Supervisors (as applicable) fail to render a decision within sixty (60) days after submittal of the claim, the Contractor may institute legal action within six (6) months after such 60-day period shall have expired, or the claim shall be deemed finally resolved. No administrative appeals procedure pursuant to *Code of Virginia* § 2.2-4365 has been established for contractual claims under this contract.

DIVISION OF RISK MANAGEMENT INSURANCE CHECKLIST

Items marked "X" are required to be provided if award is made to your firm.

<u>Required</u>	<u>Coverage Required</u>	<u>Limits</u> <u>(figures denotes minimum)</u>
<u>X</u>	1. Workers' Compensation and Employers' Liability; Admitted in Virginia Employers' Liability All States Endorsement USL & H Endorsement Voluntary Compensation Endorsement Best's Guide Rating-A-VIII or better or its equivalent	1. Statutory Limits of the Commonwealth of VA Yes \$100,000/\$500,000/\$100,000 Statutory Statutory
<u>X</u>	2. Commercial General Liability General Aggregate Products/Completed Operations Personal and Advertising Injury Fire Legal Liability Best's Guide Rating-A-VIII or better or its equivalent	2. \$1,000,000 (CSL) Each Occurrence \$2,000,000 \$2,000,000 \$1,000,000 \$50,000 Per Occurrence
—	3. Automobile Liability Owned, Hired, Borrowed & Non-owned Motor Carrier Act End. Best's Guide Rating-A-VIII or better, or its equivalent	3. \$1,000,000 combined Single Limit Bodily Injury and Property Damage Each Occurrence (note, symbol "1" on liability coverage)
<u>X</u>	4. Prof. Errors and Omissions Best's Guide Rating-A-VIII or better or its equivalent	4. \$1,000,000 (CSL) Each Claim
—	5. Garage Liability	5. \$1,000,000 CSL Each Occurrence
—	6. Garage Keeper's Legal Liability Best's Guide Rating-A-VIII or better, Or its equivalent	6. a) Maximum Value of One Vehicle b) Maximum Value of All Vehicles Held by Contractor
—	7. Umbrella Liability Best's Guide Rating-A-VIII or better, or its equivalent.	7. \$1,000,000
—	8. Other Insurance:	
—	9. Auto and General Liability Policies <u>shall be endorsed to name</u> Fauquier County and/or Fauquier County Public School Board as additional insured (This coverage is primary to all other coverage The County and Schools may possess and must be shown on the certificate)	
<u>X</u>	10. The Contractor shall provide 30 days written notice of any policy cancellation for policies specified on this Checklist to Fauquier County and/or Fauquier County School Board in accordance with the timelines and stipulations in Code of Virginia Section 38.2-231.	
<u>X</u>	11. The Certificate must state Bid/RFP No. and Bid/RFP Title.	
<u>X</u>	12. Contractor shall submit Certificate of Insurance within five (5) business days from notification of award, and shall provide updated Certificates for the duration of the contract.	

OFFEROR STATEMENT

We understand the Insurance Requirements of these specifications and will comply in full if awarded this contract.

FIRM

SIGNATURE

Revised 4/4/13, Proc/HR

RETURN THIS PAGE

PROOF OF AUTHORITY TO TRANSACT BUSINESS IN VIRGINIA

THIS FORM MUST BE SUBMITTED WITH YOUR PROPOSAL/BID. FAILURE TO INCLUDE THIS FORM MAY
RESULT IN REJECTION OF YOUR PROPOSAL/BID

Pursuant to Virginia Code § 2.2-4311.2, an Offeror/Bidder that is 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 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 and shall include in its proposal/bid the identification number issued to it by the State Corporation Commission ("SCC"). Any Offeror/Bidder that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law shall include in its proposal/bid a statement describing why the Offeror/Bidder is not required to be so authorized. Any Offeror/Bidder described herein that fails to provide the required information shall not receive an award unless a waiver of this requirement and the administrative policies and procedures established to implement this section is granted by the County Administrator or School Superintendent, as applicable.

If this quote for goods or services is accepted by the County of Fauquier, Virginia, the undersigned agrees that the requirements of the Code of Virginia Section 2.2-4311.2 have been met.

Please complete the following by checking the appropriate line that applies and providing the requested information.

A. ____ Offeror/Bidder is a Virginia business entity organized and authorized to transact business in Virginia by the SCC and such vendor's Identification Number issued to it by the SCC is _____.

B. ____ Offeror/Bidder is an out-of-state (foreign) business entity that is authorized to transact business in Virginia by the SCC and such vendor's Identification Number issued to it by the SCC is _____.

C. ____ Offeror/Bidder does not have an Identification Number issued to it by the SCC and such vendor is not required to be authorized to transact business in Virginia by the SCC for the following reason(s):

Please attach additional sheets if you need to explain why such Offeror/Bidder is not required to be authorized to transact business in Virginia.

Legal Name of Company (as listed on W-9)

Legal Name of Offeror/Bidder

Date

Authorized Signature

Print or Type Name and Title

RETURN THIS PAGE

PROPRIETARY INFORMATION:

Ownership of all data, materials, and documentation originated and prepared for the Owner pursuant to the REQUEST FOR PROPOSAL shall belong exclusively to the Owner and be subject to public inspection in accordance with the Virginia Freedom of Information Act (FOIA) and the Virginia Public Procurement Act (VPPA). Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under FOIA & VPPA, however, the Offeror must invoke the protections of VPPA Section 2.2-4342.F, 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 highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information.

NOTICE OF PROPRIETARY INFORMATION

Confidentiality References Protection in Accordance with the VPPA Section 2.2-4342.F

Section Title	Page	Reason(s) for Withholding from Disclosure

INSTRUCTIONS: Identify the data or other materials to be protected and state the reasons by using the codes listed below. Indicate specific words, figures, or paragraphs that constitute trade secrets or proprietary materials.

- A- This page contains information relating to "trade secrets", and "proprietary information" including processes. Operations, style of work, or apparatus, identify confidential statistical data, amount or source of any income... of any person (or) partnership. See VPPA Section 2.2-4342.F. Unauthorized disclosure of such information would violate the Trade Secrets Act 18 U.S.C. 1905.
- B- This page contains proprietary information including confidential, commercial or financial information which was provided to the Government on a voluntary basis and is of the type that would not customarily be released to the public. See VPPA Section 2.2-4342.F.
- C- This page contains proprietary information including confidential, commercial or financial information. This disclosure of such information would cause substantial harm to competitive position and impair the Government's ability to obtain necessary information from contractors in the future. VPPA Section 2.2-4342.F

RETURN THIS PAGE ONLY IF APPLICABLE

EXCEPTIONS TO RFP 14-25jc

Name of Offeror: _____

Please list any deviations to RFP specifications below:

[illegible]**RETURN THIS PAGE ONLY IF APPLICABLE**

Proposed Fee Schedule

Note: Owner fiscal year is July 1 – June 30

FY 2026 – 2030 are optional years, based on mutually agreed-upon contract renewal

Description of Services	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<i>Fee for Health/RX Insurance Program RFP and related services,</i> Scheduled for FY 2025 only at this time:						
<i>Annual Consulting Services</i> Inclusive of all elements in Scope of Work except RFP:						

Hourly Rates for Additional Services

Principal:						
Manager:						
Staff:						
Any other associated contract costs:						

COMPLETE AND RETURN THIS PROPOSAL FEE SCHEDULE WITH PROPOSAL RESPONSE

Fauquier County Government and Public Schools

Gallagher Response to Request for Proposal

August 28, 2024



Jeff Ries

Area Senior Vice President

Gallagher Benefit Services, Inc.

4250 Congress Street, Suite 200
Charlotte, NC 28209



Insurance | Risk Management | Consulting

Cover Letter

Fauquier County Government and Public Schools

August 16, 2024

RE: Request for Proposal (RFP) 14-25jc

Dear Fauquier County Government and Public Schools,

Thank you for the opportunity to submit a proposal to continue as a consulting partner for the Fauquier County Government and Public Schools (Fauquier) on behalf of Gallagher Benefit Services, Inc. (Gallagher). As your current consultant, we welcome the opportunity to continue delivering on our commitment to excellence while also working with you strategically as your needs grow and change in the future.

We understand the complexities and challenges associated with designing, negotiating, and implementing health care and employee benefit plans for Fauquier. We are well-versed in the specific requirements outlined in the RFP and are committed to providing the highest level of service that you have come to expect from us. Our proposal includes comprehensive services covering the design, proposal preparation, negotiation, and implementation of health care and employee benefit plans. Additionally, we offer advisory, consulting, and communication services to ensure ongoing support and guidance in benefits and insurance matters throughout the year.

Our strategic perspective allows us to help Fauquier best attract, retain, and engage employees while containing costs. We offer targeted consultation in the following areas:

- Unmatched Public Sector Experience
- Dedicated local presence with unparalleled access to national resources
- Strategic industry and employer population benchmarking
- Exclusive pharmacy solutions
- Cost containment strategies and design
- Reporting, analytics, and benchmarking capabilities
- Innovative wellbeing, employee engagement, and communication solutions

As your partner, Gallagher will function as an extension of your human resources department, assisting you in developing long-term healthcare and cost savings strategies. We are excited about the opportunity to continue our partnership with Fauquier, both now and in the future.

Thank you for considering our proposal.

Sincerely,



Jeff Ries

Area Senior Vice President

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3 Scope of Services (General & Specific)

3.1 Questions/Work Examples

The Offeror shall provide detailed answers, and Work Examples, to the following questions/requests:

3.1.1. How long has the offeror provided employee benefit consultant services?

Gallagher Benefit Services, Inc. (Gallagher), a wholly owned subsidiary of Arthur J. Gallagher & Co., has provided brokerage and consulting services since the benefits division was founded in 1961. **For over 60 years, Gallagher has specialized in strategic benefits consulting, brokerage and administration.**

Gallagher's Employee Benefits Consulting division is an autonomous subsidiary with a direct reporting channel to top management, rather than through the property/casualty or retirement/wealth management divisions. We maintain this business model because we believe employee benefits is a distinct discipline requiring talent and resources very different from those of other insurance services. Therefore, while we collaborate with our property & casualty and risk management colleagues closely, we are able to create our own flexible structures necessary for supporting the needs of our clients and their employees. To Fauquier County Government and Public Schools, this means when you retain Gallagher's services, you acquire a partner who is uniquely positioned to serve your employees and address your key employee benefit objectives.

3.1.2. How would you evaluate the option of remaining self-insured or seeking to move to a fully insured program?

Gallagher is adept at helping clients evaluate various funding arrangements and their financial impact to clients. Our Financial and Actuarial Consulting (FAC) team begins with the financial impact of changing to self-insurance and vice versa, while our benefit service consultants will focus on educating Fauquier's Finance & Human Resources areas on compliance, long-term financial management, and individual/aggregate stop loss. Within the realm of self-insured funding arrangements, we educate clients on the variations available from Level-Funded, Graded-Funded, to a full Administrative Services Only (ASO) model.

Since self-insuring at its simplest is only a funding strategy, it is the risk tolerance aspect associated with self-insuring that needs to be examined. Gallagher is in a unique position to provide guidance on this topic. In the 1960s, we facilitated the creation of self-insuring in commercial insurance. Many of the same methodologies and algorithms apply to self-insuring group health plan benefits.

In order to evaluate your organization's DNA and identify the factors that influence funding decisions, it is important to focus on four separate but interconnected considerations. These considerations include:

- **Financial:** Analysis of fully insured financial considerations and self-insuring feasibility, including type and level of stop loss coverage along with cash flow considerations
- **Plan Design:** We would ensure that you know the pros and cons of both options, such as the increased flexibility with self-insurance and access to comprehensive claims data
- **Administration:** Understand the considerations of self-funding such as the increased responsibilities related to TPA/ASO vendor, additional tasks, reporting, pharmacy, and banking, as opposed to fully insured arrangements where the insurance carrier typically handles the administrative tasks.
- **Compliance:** Requirements of plan sponsor differ for self-insured compared to fully insured where the carrier is responsible

By addressing these considerations, Gallagher can provide comprehensive guidance to help Fauquier make an informed decision that aligns with their unique needs and goals. As a group with 4,000+ members it very likely would not make sense to move to a fully-insured plan, but we will go through the exercise and get you comfortable with the ultimate decision.

3.1.3. Are there new coverage options that the County should consider in seeking proposals for health insurance services?

Gallagher utilizes a range of surveys and tools to perform competitive benchmarking analysis, assess best practices, analyze emerging trends, and provide plan design recommendations. These include:

- **Proprietary National Benefits Survey:** We conduct an annual Benefits Strategy & Benchmarking Survey that collects comprehensive data from over 4,000 organizations across the United States. It covers various employee benefits categories and allows for comparisons by industry, region, organization revenue, and size.
- **Best-In-Class Benchmarking Analysis:** This analysis focuses on top-performing organizations and provides insights and best practices for managing benefit costs while attracting and retaining top talent. It is based on data from our National Benchmarking Survey and is segmented into separate reports for mid- and large-size employers.
- **Client Plan Information Database:** A robust national database of client benefit plans, including design features, cost sharing, vendor relationships, and other relevant data points. This database allows for benchmarking against industry, geography, and employer size.
- **Health Plan Claims, Utilization, and Cost-Driver Database:** This database provides a fundamental understanding of the costs associated with clients' medical benefit plans. It includes Healthcare Benchmarking Analysis Reports that analyze plan cost and utilization data and compare results with benchmarks. The database covers millions of employee life years in health benefit plans across the United States.
- **Pulse Surveys:** Regular pulse surveys are released to provide clients with up-to-date insights and industry information. These surveys assist clients in staying informed and making decisions amidst rapidly changing environments.

These surveys and tools, along with conversations with clients, enable you to perform competitive benchmarking analysis, assess best practices, analyze emerging trends, and translate those insights into plan design recommendations. By leveraging data-driven insights and industry expertise, you aim to optimize benefits offerings, improve employee satisfaction, and align with Centurion's goals. Over the past number of years we have brought ideas to the table around musculoskeletal, cancers, chronic conditions, digestive health, pharmacy programs and overall wellbeing programs. Many of these also incorporated the Wellness Center to gain further synergies with that amazing resource.

ORGANIZATIONAL WELLBEING

Benchmarks for benefits, HR and people strategies to help organizations thrive



CAREER WELLBEING

Benchmarks for diversity, equity and inclusion and employee engagement



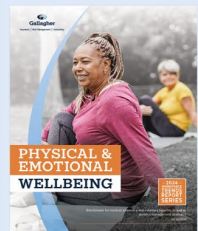
BEST-IN-CLASS BENCHMARKING ANALYSIS

Benchmarks from top employers on physical, emotional, career and financial wellbeing strategies



PHYSICAL & EMOTIONAL WELLBEING

Benchmarks for medical, pharmacy and voluntary benefits and absence management strategies



FINANCIAL WELLBEING

Benchmarks for retirement benefits, as well as group life and other supporting coverages



STATE OF THE SECTOR

Benchmarks for internal communication & employee experience strategies



3.1.4. Provide a recent example of how your firm has assisted a client to effectively address the challenge of rising health care costs without drastically decreasing benefits to employees.

Example #1

For Fauquier County we have been able to achieve the following working together since 2018:

- \$220,000 in fixed cost savings for Anthem BCBS medical administration for FY20 plus \$25,000 in wellness funds
- \$193,000 in fixed cost savings by moving dental coverage from Anthem to Delta Dental VA for FY20
- \$4,000,000 in pharmacy savings from FY20 through FY22
- Anthem medical administration renewal for FY23 lower than all competitive proposals and their medical discounts \$1,400,000 lower than next closest competition. Anthem offers a one-time admin credit of \$50,000, increases wellness funds to \$75,000, included an enhanced health and wellness package (\$96,000 value) and offered \$225,000 in fees at risk (discounts and performance)
- \$4,000,000+ in negotiated pharmacy savings from FY23 through FY25 plus \$30,000 implementation allowance and \$100,000 in performance guarantees
- Introduced third party point solutions to impact cost drivers within the Fauquier County and Fauquier Schools Health plans, all with guaranteed return on investment
 - Pharmacy – Rx Savings Solutions, CanaRx, Payer Matrix, Price MDs and Rx n Go
 - Chronic Care Management – Tria Health
 - Musculoskeletal – Hinge Health and Sword Health
 - Cancer – Genomic Life
 - Dependent Audit – Alight
 - Care Navigation – Surgery Plus
- From July 1, 2019, through June 30th, 2024, total health plan costs up 17%, or below 4% annual trend which is well below the national average of 7-10%
- Fauquier County with no employee contribution increases since Gallagher started working with Fauquier County
- Fauquier Schools with 1 employee contribution increase (6.4%) since Gallagher started working with Fauquier Schools
- Gallagher worked closely with Joint Finance Committee with County and Schools

Example #2

For one of our local public sector clients with approximately 1,800 employees, Gallagher successfully negotiated a mid-contract improvement in their pharmacy contract which resulted in \$600,000 in 2024 savings. This was comprised of \$500,000 in improved pharmacy rebates and \$100,000 in improved discounts.

Example #3

Gallagher conducted a focused medical marketing/RFP for a local public sector client with approximately 800 employees. We obtained an extremely competitive proposal from another insurance carrier, and while the client strongly considered the offer, there was concern about not having enough time to internally socialize and implement the change by 1/1/24. Gallagher shared the competitive nature of the other proposal with the client's incumbent carrier, and we were successful in leveraging the offer to obtain deep concessions from the client's current carrier, resulting in over \$1.5 million in savings – through both improved fixed costs as well as better pharmacy contracting terms.

Example #4

During the renewal of a new client, we successfully negotiated a 30% discount on their administrative fee due to our benchmarking and understanding of their TPA's pricing methodologies. This is a long-standing client with that TPA, and no plan or compensation changes were made to obtain this fee reduction.

3.2 The successful Offeror shall:

3.2 The successful Offeror shall:	In-Scope	Out-of-Scope	Additional Comments
3.2.1 Review and make recommendations to the Owner regarding existing and potential benefit plans and programs as well as modifications to the existing plan design, cost (rates), cost shares, and quality of employee benefit plans and programs.	✓		
3.2.2 Assist the Owner in the development of Request for Proposals (RFP) for the solicitation of future employee benefits plans and programs. This shall include, but not be limited to, assisting the Owner in the management of the (RFP) process and prepare a comprehensive report of the recommendations and make presentations to the owner regarding the selection recommendations.	✓		
3.2.3 Assist in the design, implementation and administration of new and existing programs in the following areas: 3.2.3.1 Medical 3.2.3.2 Dental 3.2.3.3 Vision 3.2.3.4 Life Insurance 3.2.3.5 Accidental Death & Dismemberment 3.2.3.6 Disability Insurance 3.2.3.7 Long Term Care Insurance 3.2.3.8 Pharmacy Carve Out Programs/Pharmacy Benefit management 3.2.3.9 COBRA Outsourcing 3.2.3.10 Family Medical Leave 3.2.3.11 Employee Assistance and Behavior Health Programs 3.2.3.10 Dependent Care Reimbursement Accounts/Medical Flexible Spending Accounts 3.2.3.11 Consumer Directed Health Plans such as Health Savings and Health Reimbursement Accounts 3.2.3.12 Third Party Benefit Administration & Record Keeping 3.2.3.13 Wellness Center 3.2.3.14 Wellness strategy and programs 3.2.3.15 Employee Communications to multiple demographics/languages 3.2.3.16 Retiree Health Insurance Benefits	✓		
3.2.4 Assist in developing and implementing contracts with selected health providers in accordance with the Owner's timeliness and requirements.	✓		
3.2.5 Provide proactive communication to all employees at the Owner's request and direction.	✓		
3.2.6 Provide regular and timely proactive communication of changes and proposed changes in federal and state statutes and/or regulations that may impact the Owner's employee benefit plans and programs.	✓		
3.2.7 Recommend procedures and/or policies to comply with changes and/or proposed changes federal and state statutes and/or regulations that may impact the Owner's employee benefit plans and programs.	✓		
3.2.8 Review and prepare analysis of all reports submitted by the Owner's plan providers and recommend additional reports as needed.	✓		
3.2.9 Perform research and provide responses to technical questions posed by the Owner.	✓		

Continued: 3.2 The successful Offeror shall:

3.2.10 Provide financial and/or performance reviews of Owner's employee benefit plans and programs.	✓		
3.2.11 Proactively provide the Owner with general guidance on current and future trends in employee benefit plans and programs, methods for improving cost containment, financial arrangements, and administration.	✓		
3.2.12 As requested provide Owner reports of other employers' employee benefit plans and programs to determine competitiveness; provide the Owner with annual benefit market studies.	✓		
3.2.13 Provide annual on-site training programs regarding legislative updates and/or best practice seminars.	✓		
3.2.14 Provide day-to-day proactive consultation on matters including, but not limited to, plan interpretation and problem resolution, including attendance at monthly meetings, or more often if necessary, to facilitate and assist in the management of the Owner's employee benefit plans and programs.	✓		
3.2.15 Make recommendations for items of negotiation and direct negotiation with employee benefit plan providers on matters including, but not limited to, premium rates, benefit levels, performance standards and guarantees, contractual terms and conditions, quality assurance standards, utilization and performance reports, statistical and/or financial reports, and plan specific data such as medical conditions, prescription drugs, high cost procedures, in-patient data, etc.	✓		
3.2.16 Provide such other services as requested by the Owner for which the consultant has the technical capability and capacity to render. Consultant shall quote additional projects and services to the Owner on a per-project basis as a not-to-exceed fee or at contract hourly rates for services, which ever method is in the Owner's best interest.	✓		
3.2.17 Maintain full and accurate records with respect to all matters and services provided to the owner for a minimum of five (5) years from the date of award of this contract.	✓		
3.2.18 Assist the owner in budget preparation, including, but not limited to, cost trends and multiple year projections.	✓		
3.2.19 Meet with the County's Board of Supervisors, the County School Board, management staff and employee groups to explain benefit plan issues, changes, and their legal and financial impacts on employees and retirees, if requested. These meetings will be primarily during business hours; however, some meetings may extend later.	✓		

3.3 The successful Offeror shall:

3.3 The successful Offeror shall:	In-Scope	Out-of-Scope	Additional Comments
3.3.1 Analyze the Owner's contribution and employees' contribution for proper funding (Annual Requirement), and recommend employer and employee premium rate structure.	✓		
3.3.2 Assist in the RFP process by preparing specifications, analyze the responses, and negotiate, as necessary, with Offerors and make recommendations to the governing body for award of coverage (As Required). .	✓		
3.3.3 Summarize in layman's language policy terms, exclusions, deductibles, claims reporting requirements and any other pertinent information (Annual Requirement - not later than April 1st of each year).	✓		
3.3.4 Review existing employee communication/education plan and provide findings and recommendations.	✓		
3.3.5 Provide "work plan" which utilizes who, what, how, when, why approach to solving issues/problems as identified in the above scope of services.	✓		
3.3.6 Assist with administration of employee benefits program and employee communications.	✓		
3.3.7 Provide up to date information concerning employee benefits issues such as trends and proposed legislation.	✓		
3.3.8 Provide a source for answers to employee benefit problems as they occur.	✓		

4.2 Specific Proposal Requirements

4.2.1. Certification page, Insurance Checklist and the return of this completed RFP and any addenda, acknowledgments, signed and filled out as required.

Confirmed.

4.2.2. Offerors understanding of the Scope of Service: The proposal should provide a statement of the Scope of Services in the Offeror's own words which demonstrate a complete understanding of the purpose and scope of the services requested in the RFP. The section should also include a statement as to why your firm should be considered for the services, and shall include answers/work samples requested in Section 3.1 and the Offeror's capability and qualifications to meet the requirements outlines in Sections 3.2 through 3.4. Offerors shall provide, in this section of their proposal response, their experience with Pharmacy carve-out programs. Offerors are hereby advised that participation and oversight of the Pharmacy carve-out program will not result in any Consultant compensation directly from the awarded Pharmacy provider for that service; this practice is not acceptable to the Owner.

Please see the Executive Summary beginning on page 15.

4.2.3. The proposal should specify the individual(s) who would be assigned to the contract, the level of their experience including credentials, related experience, training, and education of the personnel.

Your dedicated service team will provide consistent support throughout our relationship. Led by your Benefits Consultant, Jeff Ries, and Client Executive, Dominique Palmer the team consists of multiple members who will work closely together to ensure your satisfaction.

Daily Support

The Fauquier County Government and Public Schools team will have a dedicated Client Executive who will provide daily support. In addition, an accessible Benefit Advocate Center will be available for employees. Your service team is committed to delivering prompt responses and exceptional service on a daily basis.

The Core Team

Our Core Team structure is strategically designed with you in mind.

Jeff Ries, Lead Consultant – Has dedicated areas of focus to provide comprehensive strategic and financial direction and oversight. Jeff brings 30 years of experience to Fauquier County and Schools. Jeff has a Bachelor Degree in Actuarial Science and a Masters of Business Administration. Jeff is one of the leaders within the Gallagher Public Sector Vertical.

Dominique Palmer, Client Executive – Will oversee all client deliverables and vendor performance. Dominique brings almost 20 years of consulting experience to go with her experience in human resources for an investment firm. Dominique has a Bachelor of Business Administration and a Masters of Business Administration with a concentration in Human Resources.

Hannah Rapaka, Client Manager – Serves in a day-to-day plan management capacity. Assists with the tactical work to enable other team members to spend additional time on the strategic work. Hannah brings with her almost 10 years of consulting experience. Hannah has a BA in Education from The University of North Carolina at Charlotte.

Continued: 4.2.3. The proposal should specify the individual(s) who would be assigned to the contract, the level of their experience including credentials, related experience, training, and education of the personnel:

Subject Matter Experts

In addition to the core team mentioned earlier, Fauquier County Government and Public Schools will have access to a range of Subject Matter Experts specializing in areas such as compliance, wellbeing, HR technology, and more.

Your service team has years of experience that make them valuable assets in assisting your organization grow and expand.



Jeff Ries
Area Senior Vice President



Dominique Palmer
Service Consultant



Hannah Rapaka
Client Associate



Kyle Armeny
Area President
MD, VA, NC, SC



Paxton Crooks
Senior Financial Consultant



Rani Collins
Wellbeing Consulting



Susan Kleiman
Compliance Consulting



Jaime Zucker
Communication Consulting



Arden Smith, ASA, MAAA
Financial & Actuarial Consulting



Clare Hunter
Pharmacy Consulting

4.2.4 The experience of the Offeror relative to the performance of this contract should be described. The proposal should specify all the Offeror’s experience with similar projects, preferably Governmental and School. The Offeror shall provide reference letters from at least two (2) County and two (2) Schools for which the Offeror has provided services which directly relate to the Scope of Services herein.

With over 3,000+ employee benefit public sector clients, Gallagher built a Public Sector and K-12 Education Practice serving those who support the public good by offering benefits management and support states, counties, cities, state government municipalities and pooling organizations.

We understand the unique challenges as a public sector employer. Your organization is exempt from certain laws and subject to others that may — or may not — create flexibility and cost efficiency. Tax revenue and other revenue sources are subject to change and drive the design and financing of employee compensation and benefits. Often, collective bargaining agreements and intense public scrutiny affect decisions.

Your Gallagher team takes these factors into consideration. We bring a broad range of public sector-focused solutions and expertise, including work in collective purchasing, benchmarking data and healthcare utilization review and analysis.

As a partner, Gallagher will design a strategy that aligns investments in employee health, talent management, financial wellbeing, and career growth with financial realities in the public sector.

If selected as a finalist we will be happy to share reference letters from two (2) County and two (2) School clients.

4.2.5. Offeror shall provide verification that they are licensed for this type of services as required by the Code of Virginia.

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That GALLAGHER BENEFIT SERVICES, INC., a corporation incorporated under the laws of Delaware, is authorized to transact business in the Commonwealth of Virginia

That the corporation obtained a certificate of authority to transact business in Virginia from the Commission on October 11, 2001; and

That the corporation is in good standing in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

February 7, 2022

A handwritten signature in black ink, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

CERTIFICATE NUMBER : 2022020716886969

4.2.6. Offeror shall provide the location of the office that will have the responsibility for providing services, and any other factors related to response and on-site meeting capability.

Servicing Office	Local Office	Headquarters
4250 Congress Street, Suite 200 Charlotte, NC 28209	702 King Farm Boulevard, Suite 210, Rockville, MD 20850	2850 Golf Road Rolling Meadows, IL 60008

For a complete list of all Gallagher offices, please visit our website at <https://locations.ajg.com/>.

Meetings

Your client service team holds a variety of meetings throughout the year. We schedule formal meetings each year, including pre- and post-renewal meetings, as well as four quarterly meetings. The frequency of meetings will vary depending on the stage of the policy year we are in and the topics under review.

Sample Meeting Structure

- Initial Consultation:** This is our first meeting with a new client where we gather information about their needs, goals, and expectations. We use this meeting to establish a foundation for our working relationship.
- Strategy Meeting:** Before the renewal process, we hold a meeting to discuss the current year, 3-5 year vision plan, and long-term vision for your goals. This session sets the tone for the pre-renewal meeting.
- Pre-Renewal Meeting:** Your client service team discusses various topics such as benefits, cost constraints, and employee satisfaction issues. This meeting helps us customize the Request for Proposal (RFP) to address your needs and desires during the renewal and RFP process.
- Renewal Meeting:** During this meeting, we present the carrier renewals obtained from the RFPs. We provide implementation-ready solutions, discuss strategies and approach, and share available options with the client.
- Stewardship Meeting:** This is the final meeting of the cycle, serving as a recap of the year. We discuss what we did well and where we can improve. We highly value our client relationship and your feedback, as it helps us continue to enhance our performance.

By following this meeting structure, we aim to ensure effective communication, strategic planning, and continuous improvement in our client service.

4.2.7. Offeror shall provide a detailed statement describing any special terms and condition of this service, and shall acknowledge acceptance of the RFP inclusive of the terms and conditions, or clearly state exception to specific areas of the RFP in this section of their response, identifying the section exception is taken to, the reason for the exception, and any proposed language in place of the exception on the Exception Form provided in the RFP.

- Gallagher is not a federal contractor or subcontractor. Therefore, Gallagher cannot agree to federal contracting provisions contained within the RFP.
- Section 30 (b) (Page 14) – Gallagher does not offer prompt payment discounts.
- Section 36 (Page 15) – Indemnification should be limited to grossly negligent acts and omissions, breaches of the contract, intentional misconduct, or violations of law.
- Section 40 (Page 16) – Unless otherwise required by applicable law, Gallagher cannot agree to permit Owner to audit for 5 years after the agreement ends. They can audit during the agreement.

4.2.8. Offeror shall provide sample documents and/or reports, which shall include, but not be limited to Work Plan, Strategic Planning Report, Claims Experience Audit Report, etc.

You can find samples of the following in [here](#).

- FMR
- Projections Model
- Board Presentation
- Planning Meeting

4.2.9. Offeror shall provide pricing options as noted on the Fee Schedule template provided herein, and shall detail proposed cost and billing procedures whether hourly and/or fee based per project, or commission based, in their proposal response. The successful Offeror may bill for all reasonable expenses for travel (lodging, airfare, and any other related items) required at the request of the Owner, with the Owner's written guidelines. Maximum travel reimbursement amount shall be negotiated before a contract is executed.

We are open to your preferred method of compensation. The standard options include fees, commissions, or a combination of both.

Gallagher's operating standard policy mandates timely disclosure of all revenue related to services or products provided to or placed on behalf of the client. Fauquier County Government and Public Schools can expect to receive a compensation disclosure at least once a year. Transparency is a fundamental principle of the Gallagher Way.

PEPM Fee Response

For organizations like Fauquier County Government and Public Schools, our typical arrangement involves charging a fee per employee per month (PEPM) for employees covered under their medical benefits. This fee is often billed and collected by the client's plan administrator/insurance carrier. We strongly believe that this compensation structure aligns with the interests of both Fauquier County Government and Public Schools and Gallagher. Additionally, many of our customers find this approach less burdensome administratively, as they do not have to make payments to another vendor/partner and can include our fees as part of their overall benefit spend.

For non-medical insurance / ancillary lines of coverage (life, disability, vision, etc.), we typically earn a mutually agreed-upon commission as compensation for our advice and services related to those benefits.

For the medical plan, we propose a per employee per month (PEPM) fee of \$2.50 which can be billed via your insurance carrier or directly, based on your preference. Compensation for non-medical insurance / ancillary lines of coverage (life, disability, pharmacy (per script), vision, etc.) will be based on the carrier's standard schedules. This would be essentially the same compensation as we receive today.

Our compensation includes all items in our proposed scope of service, unless otherwise noted.

Executive Summary

Our firm should be considered for the services as we have extensive experience and expertise in the field of employee benefits consulting and have a proven track record of successfully designing, negotiating, and implementing health care and employee benefit plans for various organizations.

With a highly knowledgeable and experienced team of consultants, we are well-equipped to understand and address Fauquier's unique needs and challenges. As part of Gallagher's Public Sector Practice, serving over 3,000 clients, we bring extensive experience and expertise in serving public employers, including Fauquier.

In addition to our technical expertise, we pride ourselves on providing exceptional advisory, consulting, and communication services to our clients. We understand the importance of effectively communicating benefits and insurance information to employees and strive to ensure that our clients have a comprehensive understanding of their options.

Furthermore, we are committed to providing year-round support to our clients. We understand that employee benefits and insurance are ongoing concerns, and we are dedicated to being available to address any questions or concerns that may arise throughout the year.

As your current benefit consultant, Gallagher is well-equipped to meet the needs of the Fauquier and hit the ground running. We have the knowledge, experience, and commitment to provide high-quality services and deliver optimal employee benefits solutions.

About Gallagher

About Gallagher
Founded in 1927

\$9.9B

Total Adjusted Brokerage & Risk
Management Revenues 2023

52,000+

Employees Worldwide

960+

Offices Globally

130+

Countries Served

Social Responsibility

Companywide focus on ethical conduct,
employee health and welfare, environmental
integrity and community service

Gallagher started as a single office in Chicago and is now a publicly traded global organization with more than \$9.9 billion in adjusted revenues, 960+ offices globally, and over 52,000 team members with service capabilities in 130-plus countries. Our business units and subsidiaries provide the full spectrum of specifically tailored risk management products and solutions for complex operations.

Gallagher's history is a compelling story of the insurance business; to learn more visit aig.com/about-us/.

Our Culture

The ideals, principles, and values embodied by the founder whose name still appears on our door are part of our corporate DNA. Gallagher's approach to business, fostered through three generations of family leadership, has always centered on creating relationship value as true partners to our clients. Your Gallagher team understands they can make a genuine difference in protecting and supporting your human capital only if they fully engage in your business. We take the time to ask the right questions so that we can offer you the best recommendations. By specifically addressing your unique challenges, benefit objectives, and business goals, your consultants gain the insights they need to help you act strategically in the present with a long-term view of success. Our mission statement, and the shared values we refer to as The Gallagher Way, describe how our culture and people are dedicated to yours.

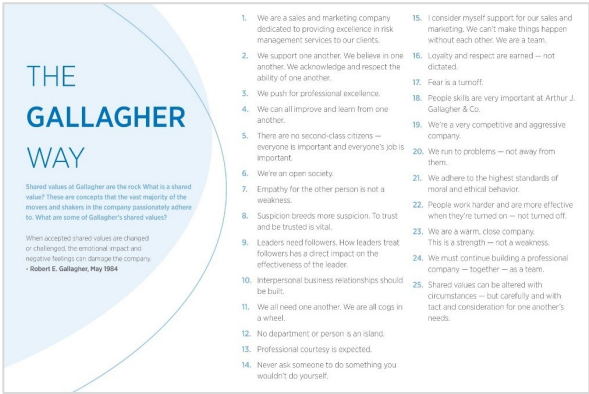
Mission

- To build the best benefits services, practice with brokers and consultants who understand the value of building relationships and trust, and creating experiences and results that inspire our clients' confidence.
- To provide superior, cost-effective benefit products and services that meet the ever-changing needs of employers, while striving for the highest professional excellence in the delivery of those solutions.
- To measurably help organizations manage and grow their businesses through our benefit services, expertise and counsel.

We accomplish our mission with the leadership that grows our company by enriching our culture. We will honor the moral and ethical standards that are vital to gaining organizations' trust and their confidence in our ability to continually build and develop a Gallagher benefit services team that excels at what we do.

Continued: About Gallagher

The Gallagher Way is a one-page document written in 1984 by our former chairman and CEO, Robert E. Gallagher, which defines the Gallagher culture. It describes the principles, behaviors, and beliefs that have produced great work at Gallagher—and great working relationships—since the company was founded. The document's 25 shared values guide business conduct for each of us as individuals, and all of us as a team. These values form the strong foundation of our company and culture, with our employees passionately adhering to them, reflecting our commitment to excellence.



Gallagher’s Public Sector Experience

With over 3,000 public entity and scholastic clients, Gallagher’s Public Sector Practice is dedicated to serving the needs of public employers. Fauquier will have a partner with extensive experience working with states, counties, cities and government employers. We have built our Public Sector Practice by bringing together over 200 consultants to share best practices, products, resources, benchmarking and data, and practice specialists to best serve our public sector clients.

Public sector practitioners at Gallagher have spent decades providing industry-leading solutions in the public sector. We are active in the public sector community, including participation in organizations such as Association of School Business Officials (ASBO), Public Risk Management Association (PRIMA), Government Finance Officers Association (GFOA), National Public Employer Labor Relations Association (NPELRA), National Association of Counties (NACo), International City Managers Association (ICMA) and International Public Managers Association (IPMA-HR). We understand Fauquier faces unique challenges as a public sector employer. Your organization is exempt from certain laws and subject to others that may — or may not — create flexibility and cost efficiency. Tax revenue and other revenue sources are subject to change and drive the design and financing of employee compensation and benefits. Often, collective bargaining agreements and intense public scrutiny affect Fauquier’s decisions.

Your Gallagher team takes these factors into consideration. We bring a broad range of public sector-focused solutions and expertise, including work in collective purchasing, benchmarking data and healthcare utilization review and analysis. In addition, with our industry specialization and large number of public entity clients, you have access to a deep reservoir of industry benchmarks.

As a partner with Fauquier, Gallagher will design a strategy that aligns investments in employee health, talent management, financial wellbeing and career growth with financial realities in the public sector. We will help build a better workplace that inspires employees to give their professional best — and help Fauquier meet its business objectives for years to come. Your Gallagher team will partner with you to overcome complex challenges, and help you serve the public in a fiscally responsible manner — now, and well into the future.

3,000+

Benefits & HR Consulting clients in Public Sector

6,010+

Public Sector clients globally

230+

US Public Sector organizations participating in our 2024 Benefits Strategy & Benchmarking Survey

Staffing Plan and Service Model

Your Gallagher Team has the capacity, bandwidth and bench strength to provide ‘high-touch’ client service year-round. We believe in ‘no surprise’ service and renewals and will work with you throughout the year on renewal planning, implementation and recommendations for continuous improvements to achieve best-in-class status for your benefit plans.

Beyond renewal planning, your dedicated consulting team will meet monthly to review claims, loss ratios and report on plan performance and marketplace trends. Throughout every step of our relationship, our strategic thinkers, story tellers, data gurus and experts will want to analyze your current experience, trawl through your guidelines and ‘best examples’, meet your leaders and influencers, and critically, know, see, experience and feel the power of the culture at your institution and understand what’s most important to you.



Gallagher's Collaborative Consulting Approach

Our consulting approach is centered on working with Fauquier to understand your workforce, culture, strategic goals, specific institutional issues, and budget.

Using proven approaches combined with our understanding of your organization, we will derive a benefits strategy that includes a robust selection of alternatives appropriate for your culture and level of risk aversion. In short, we believe our role is to help Fauquier get better. Better outcomes from better performance. So how do we get there? We start by building a better workplace that attracts, engages, and retains top talent.

Organizational wellbeing is what we are all about and below we have outlined our approach to ensuring all of our clients, both current and future can achieve true organizational wellbeing. We call this approach **Gallagher Better WorksSM**.

Gallagher Better Works includes physical & emotional wellbeing, financial wellbeing and career wellbeing, delivering across the entire needs of an employee population. Unique in the market, we can offer you the holistic consultancy solution you need, to help you recruit, protect, reward, engage, retain, and inspire and your people.

Physical & Emotional Wellbeing

- Compliance Consulting
- Employee Benefits Consulting
- Pharmacy Benefit Management Consulting
- Voluntary Benefits Consulting
- Small Business Consulting

Financial Wellbeing

- Executive Planning
- Institutional Investment Consulting
- Retirement Plan Consulting

Career Wellbeing

- Communication Consulting
- Compensation & Rewards Consulting
- Data & Research Consulting
- Human Resources Consulting
- Human Resources Technology Consulting
- Multinational Benefits & HR Consulting
- Talent & Leadership Advisory



We understand that beyond innovation, products, and technology, the most crucial aspect of a workplace culture is the human element. We believe that the strength of an organization lies in its people. Throughout this proposal, we will demonstrate how Gallagher can assist Fauquier in attracting and retaining top talent. Our data-driven approach includes surveying and analyzing competitor trends, benchmarking, and evaluating your current total rewards strategy to optimize it according to the desires of your workforce. By applying best practices that promote sustainability and growth, we aim to support your employees' efforts and contribute to the success of your organization.

Employee Benefits Consulting

In partnership with Fauquier, we provide strategic thought leadership and industry best practices to support program management and align with your organization's mission and culture. This ensures long-term support for your employees while adapting to changes. We share best practices through articles, webinars, conferences, and consulting engagements, providing valuable insights and recommendations to help organizations implement effective benefits strategies and stay competitive.

Gallagher shares industry best practices through various channels, including thought leadership articles, webinars, conferences, and consulting engagements. We leverage our extensive industry expertise and partnerships to stay up-to-date with the latest trends and developments. Through these channels, we provide valuable insights, case studies, and practical recommendations to help organizations implement effective benefits strategies and stay competitive in their respective industries.

We develop both long-term and short-term strategies using Gallagher's proprietary tools and data-driven decision-making.

Continued: Employee Benefits Consulting

Know Your Workforce

We combine assessment data with Gallagher Workforce Evaluation and People Insights report to understand Fauquier's unique workforce. Our tools analyze demographics, wellbeing, and provide recommendations. Gallagher conducts periodic Pulse Surveys to give organizations real-time insights into employee sentiment, engagement, and satisfaction levels. Your organization can use this data to inform decision-making, shape organizational strategies, and prioritize initiatives.

Gathering input from your employees is crucial for strategic benefit planning. Over 75% of Fortune 1000 companies use employee surveys as a regular part of their benefits planning. To help with this, Gallagher offers GBS Viewpoints, an online survey tool that helps you identify the elements valuable to your employees in an employee benefits program.

Life Stages of Your Workforce

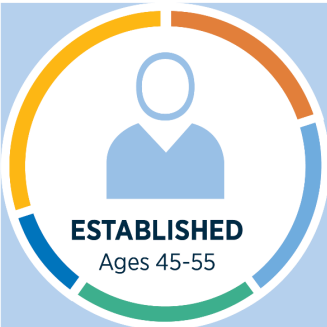
Gallagher's Proprietary Workforce Evaluation



- LIFESTYLE** Single, newly married, childless
- CAREER** First/second “real” job, finding career path, looking to advance
- FINANCIAL** Want financial stability, income growth
- BENEFITS** Lighter use
- NEEDS** Sense of purpose, experiences outside of work, work environment



- LIFESTYLE** Young family
- CAREER** Want advancement, professional development
- FINANCIAL** Want steady salary increase
- BENEFITS** Moderate to heavy use, likes having options
- NEEDS** Work/life balance, time off



- LIFESTYLE** Family obligations, may care for elders
- CAREER** Have worked elsewhere, may have changed careers, experienced
- FINANCIAL** Pushing for highest salary
- BENEFITS** Moderate use, want planning advice
- NEEDS** Professional respect, leadership opportunities, expect recognition



- LIFESTYLE** Empty nesters, caring for elders
- CAREER** About to retire or start new career
- FINANCIAL** Expect top income, want to secure steady retirement
- BENEFITS** Benefits important, especially life and disability
- NEEDS** Rewards and recognition, preparing for retirement

Benchmarking & Market Insights

Gallagher utilizes a range of surveys and tools to perform competitive benchmarking analysis, assess best practices, analyze emerging trends, and provide plan design recommendations. These include:

- **Proprietary National Benefits Survey:** We conduct an annual Benefits Strategy & Benchmarking Survey that collects comprehensive data from over 4,000 organizations across the United States. It covers various employee benefits categories and allows for comparisons by industry, region, organization revenue, and size.
- **Best-In-Class Benchmarking Analysis:** This analysis focuses on top-performing organizations and provides insights and best practices for managing benefit costs while attracting and retaining top talent. It is based on data from our National Benchmarking Survey and is segmented into separate reports for mid- and large-size employers.
- **Client Plan Information Database:** A robust national database of client benefit plans, including design features, cost sharing, vendor relationships, and other relevant data points. This database allows for benchmarking against industry, geography, and employer size.
- **Health Plan Claims, Utilization, and Cost-Driver Database:** This database provides a fundamental understanding of the costs associated with clients' medical benefit plans. It includes Healthcare Benchmarking Analysis Reports that analyze plan cost and utilization data and compare results with benchmarks. The database covers millions of employee life years in health benefit plans across the United States.
- **Pulse Surveys:** Regular pulse surveys are released to provide clients with up-to-date insights and industry information. These surveys assist clients in staying informed and making decisions amidst rapidly changing environments.

These surveys and tools, along with conversations with clients, enable you to perform competitive benchmarking analysis, assess best practices, analyze emerging trends, and translate those insights into plan design recommendations. By leveraging data-driven insights and industry expertise, you aim to optimize benefits offerings, improve employee satisfaction, and align with Fauquier's goals.

Strategic Planning

Strategic planning is the foundation of our relationships and will assist us in helping Fauquier manage your employee benefits programs year-over-year.

Our strategic approach aims to help design and manage benefits programs satisfying current needs, and to help develop a forward-looking strategy with built-in cost containment measures for upcoming years. We will work with your organization to develop a multi-year plan that ensures the benefits program is in sync with your short- and long-term objectives.

Your client service team thoroughly reviews, analyzes and makes appropriate recommendations in terms of competitiveness, cost-effectiveness, and benefits philosophy as they relate to the strategic plan. The following five steps are what we undertake across all of your benefits programs:

ORGANIZATIONAL WELLBEING

Benchmarks for benefits, HR and people strategies to help organizations thrive



CAREER WELLBEING

Benchmarks for diversity, equity and inclusion and employee engagement



BEST-IN-CLASS BENCHMARKING ANALYSIS

Benchmarks from top employers on physical, emotional, career and financial wellbeing strategies



PHYSICAL & EMOTIONAL WELLBEING

Benchmarks for medical, pharmacy and voluntary benefits and absence management strategies



FINANCIAL WELLBEING

Benchmarks for retirement benefits, as well as group life and other supporting coverages



STATE OF THE SECTOR

Benchmarks for internal communication & employee experience strategies



Continued: Strategic Planning

Discovery and Analysis

- ▶ Demographics: Analyze employee characteristics.
- ▶ Cost and Financial Modeling: Inventory employee benefit programs while focusing on key cost drivers, outcomes, and comparisons with benchmarks.
- ▶ Satisfaction: Survey the population and assess current employee benefit programs, including the communication of these programs and benefits.

Desired State and Goal Setting

- ▶ Determine Differences: Identify areas where meaningful changes are expected for the organization, employees, and macro environment.
- ▶ Identify Impacts: Evaluate the preferred future state and the impacts of changing variables on benefits program stakeholders.
- ▶ Develop Specific Goals: Outline goals for the next three (3) years using tangible metrics.

Identify Opportunities

- ▶ Evolving Needs: Align offerings with the changing needs in your employee benefits program due to environmental impacts.
- ▶ Compliance Review: Conduct a compliance review to identify any potential gaps or opportunities for improvement.

Strategic and Tactical Options Evaluation

- ▶ Develop Strategic Alternatives: Leverage the gaps and opportunities analysis to create options for reaching goals over the next three (3) years.
- ▶ Propose Tactics: Evaluate tactics that support strategic alternatives while considering institutional culture, benchmarking data, and other factors.

Implementation and Management

- ▶ Vendor Selection: Select and secure the most qualified vendors with the most favorable terms to deliver the programs and designs determined by this strategic planning process.
- ▶ Implementation: Onboard newly customized programs based on identified needs.
- ▶ Integration: Introduce programs to employees ensuring a positive onboarding experience.
- ▶ Measurement: Identify key metrics that will be regularly tracked to determine performance and provide insight for continued strategic opportunities.
- ▶ Communicate and Engage: Develop a communication strategy to educate and engage staff so they perceive value.
- ▶ Advocacy: Provide a dedicated support team to offer ongoing assistance for employees and management, answering questions, educating members, and helping to resolve claims issues.

Plan Design Analysis Capabilities

Plan design analysis is conducted when developing overall benefit strategies and each time a renewal for medical and pharmacy is received. This applies to self-funded and fully insured plans. We have broad experience developing strategies to meet a variety of objectives, including cost control, plan migration goals, protection against anti-selection, and promotion of consumer-driven initiatives.

Fauquier's Gallagher team will review and assess your current benefits program for competitiveness, cost-effectiveness, and evaluate how your program aligns with your benefits philosophy. We are in a unique position to provide that measurement with a widespread client base and access to data that is unmatched in the industry.

If the result of review identifies the need for plan changes, the Gallagher team will utilize a proprietary actuarial model to determine the impact of recommended plan design changes to provide you with the information needed to make decisions. Gallagher facilitates this process in its entirety, saving you time and resources.

Gallagher's Healthcare Rating Model (HRM) is a proprietary system developed by in-house actuaries and is updated annually. The system provides cost projections because of plan adjustments on a real-time basis, which enables Gallagher to use your time efficiently and effectively. Initially, the focus is on recommendations that do not disrupt plan members, such as plan funding, stop-loss levels, and administration. Based on an arrangement negotiated with all the national carriers, we automatically receive a monthly feed of paid claim information for all accounts. This allows us to independently underwrite a renewal projection for each.

Regarding plan design expertise, the Gallagher Financial Actuarial Consulting team can project cost and savings as they relate to potential plan design changes. Additionally, other components of plan design that the Gallagher team would review and evaluate with the Fauquier team include:

- Eligibility – evaluate waiting period; consider programs to limit dependent or spouse enrollments on the plan if applicable and aligned with your culture
- Cost sharing/shifting – consider various contribution methodologies
- Plan design – explore limited networks/formularies, tiered plans or alternative funding approaches
- Care management – explore options to help engage members and steer care
- Longer term strategies to increase wellbeing and preventive care

Financial and Actuarial Consulting

Data drives the decisions related to your current and future benefit offerings. Our consulting approach is rooted in the way we collect, analyze, and report data. Gallagher does not view actuarial, reporting, and/or underwriting services as silos; rather, as a unified offering we provide. Your Financial Actuarial Consulting (FAC) team member is a part of your core team whose services (e.g., underwriting, actuarial, reporting, claims analysis, renewal review, and financial consulting) are included in the standard scope. Our FAC team has deep industry knowledge, expertise, and a wide range of tools and data to provide Fauquier comprehensive financial analyses. This enables clients to make informed decisions throughout the benefits design process, maximize value, retain talent, and control costs.

Financial

Gallagher will provide financial utilization tracking reports with varying levels of analysis. This allows us to benchmark performance and identify cost drivers that are favorable or unfavorable. This data is invaluable when reviewing program costs, identifying trends, and negotiating renewals.

Gallagher can customize your reporting package to meet your Fauquier's exact needs. We will work with you at the beginning of the program to identify the reports you require, including an analysis of actual claims to budget, tracking large claims, and identification of plan costs by specific lines of coverage.

Gallagher's solutions use proprietary algorithms to uncover, pinpoint, and automate the information process to help you manage your medical risk across the health plan. We capture, diagnose, and optimize actual claims data and provide predictive and prescriptive modeling for high-risk consumers.

Reporting

Gallagher can customize your reporting package to meet your organization's exact needs. We will work with you to identify the reports you require, including an analysis of actual claims to budget, tracking large claims, and identification of plan costs by specific lines of coverage.

We use proprietary algorithms to uncover, pinpoint, and automate the information process to help you manage your medical risk across the health plan. We capture, diagnose, and optimize actual claims data and provide predictive and prescriptive modeling.

Continued: Financial and Actuarial Consulting

We have listed the standard reporting that we will provide that is included in our standard scope of services based on your organization's size, funding, and access to your data.

- Monthly financial monitoring report to include a summary of plan costs, actual costs vs budget, large claimants, and claims applied to stop loss
 - Quarterly IBNR report that is certified
 - Projection and forecasting that include rate development
 - Plan change modeling
 - Contribution modeling
- Disruption analysis with self-funded marketing
 - Network discount evaluation with self-funded marketing
 - Utilization analysis and reports
 - Stop loss renewal financial review
 - Self-funded marketing review

We have included several sample reports, although some may vary based on what data the carrier can provide. We have many pre-established feeds and access to carrier reporting tools.

Underwriting and Actuarial Services

Our FAC team provides critical actuarial and underwriting services for testing assumptions regarding various enrollment scenarios and benefit designs. They review data in a data warehouse and provide customized benchmarking information based on your demographics, geography, and industry.

We provide underwriting and actuarial support to our clients, including but not limited to:

- Underwriting the plan independently from the insurance carrier. Projecting renewal rate actions before the renewal.
- Identifying financial objectives, goals, and risk tolerance
- Forecasting total plan cost and offering alternate cost-saving measures
- Recommending competitive employee and employer contribution strategies
- Developing reserves, COBRA premiums, maximum exposure, and potential savings
- Financial comparison and evaluation of managed care network discounts
- Evaluating the cost-effectiveness of prescription drug carve-out via a pharmacy benefit manager
- Providing benchmark information to compare costs and lines of coverage across all lines
- Providing Incurred But Not Reported (IBNR) calculations
- Providing captive feasibility, historical rate analysis, and forecasting

Analytical Tools

The sampling of tools highlighted here is designed to demonstrate the type of tools that we use to provide you with current information on trends and analytics. Proprietary tools bring complex data into focus and help clarify your long-term strategy.

Financial & Actuarial Tools for Self-Funded Clients

<div>UNDERWRITING MODELER</div> <div>Assumption based renewal projections</div>	<div>CUSTOM BENCHMARKING</div> <div>Industry specific data cuts</div>	<div>PHARMACY BENEFIT MANAGER</div> <div>Analysis of carve-in vs carve-out solutions</div>
<div>IBNR RESERVE MODEL</div> <div>Projection of unprocessed claims</div>	<div>DATA WAREHOUSE</div> <div>Data analytics platform</div>	<div>CLAIMS & ENROLLMENT TRACKING</div> <div>Custom built for each client</div>
<div>PEOPLE INSIGHTS REPORT</div> <div>Aggregated employee data analysis</div>	<div>STOP LOSS</div> <div>Renewal and coverage analysis</div>	<div>WORKFORCE EVALUATION</div> <div>Analysis of population characteristics</div>
<div>ANALYTIC ACTION REPORT</div> <div>Clinical insights and recommended actions</div>	<div>HEALTHCARE RATING MODEL</div> <div>Develop specific medical plan premiums</div>	<div>EMPLOYEE CONTRIBUTION MODELER</div> <div>Develop contribution strategy & options</div>
<div>UNDERWRITING</div> <div>Independently from the carrier</div>		

Continued: Financial and Actuarial Consulting

Gallagher offers a comprehensive range of actuarial and underwriting services as part of our core services. These services can be categorized:

- **Rate and Budget Projections:** For most of our clients, rate development is a core service provided annually. Our rate development process is developed in collaboration with our Financial and Actuarial Consulting (FAC) team and undergoes a rigorous peer-review process. The rates we develop are tailored to meet the specific needs of our clients, considering factors such as division/business unit rating, internal pooling arrangements, demographics, and unitization across populations and locations. We also develop premium equivalent rates based on these projections, which can be done aggregately for the entire group or on an operation unit basis, considering differences in plan design, demographics, claim costs, business goals, risk fluctuation tolerance, margin requirements, and internal pooling levels.
 - **Employee Contribution Strategy:** We have extensive experience in developing contribution strategies to achieve various objectives, including cost control, plan migration goals, protection against anti-selection, and consumer-driven initiatives. Our consultants use benchmark data from proprietary tools and subscription sources to design contribution strategies that go beyond simply shifting program costs between employers and employees. We consider our clients' short and long-term objectives to create effective contribution strategies.
 - **Incurred but Not Reported (IBNR) Reserve Analysis:** For our self-funded clients, we adhere to Gallagher's Standards of Excellence, which require us to develop an actuarial-based IBNR estimate at least annually. We use Gallagher's FAC IBNR Modeling tool to generate IBNRs, and all estimates undergo peer review by a Gallagher FAC team member before being released to the client. Our tool can develop separate reserves for medical, dental, vision, and prescription drug plans, as well as consumer-directed plans (HRA or HSA CDHPs).
 - **Actuarial Consulting and Software:** We provide our customers with proprietary tools that enable them to make informed decisions regarding plan pricing, risk analysis, and stop-loss thresholds. Our tools include healthcare rating models for plan design, pricing, and modeling, as well as stop-loss pricing and demographic analysis. We also offer proprietary IBNR modeling that estimates IBNR liability and future run-out based on historical lag patterns. We provide predictive modeling as part of our data warehouse platform and an annual trend study conducted by our FAC team.
 - **Financial Reporting and Analysis:** We continuously monitor each carrier's claims management results using our proprietary data warehousing tools. This allows us to study claims history, evaluate current costs, and project future expenditures. We also meet with insurers periodically to review utilization rates, disease management effectiveness, network performance, and catastrophic case management. We work closely with our clients to provide robust financial reporting that aligns with their unique business needs.
- Rate and Budget Projections

Employee Contribution Strategy

Incurred but Not Reported (IBNR) Reserve Analysis

Actuarial Consulting and Software

Financial Reporting and Analysis

By offering these services, we aim to support our clients in making informed financial and claims-related decisions.

Plan Marketing & Renewal

Strategic Planning

Our strategic approach aims to design and manage benefits programs that meet current needs while also developing a forward-looking strategy with cost containment measures for the future. We will work with Fauquier to create a multi-year plan that aligns with your short and long-term objectives. Our consulting team reviews, analyzes, and provides recommendations on competitiveness, cost-effectiveness, and benefits philosophy as they relate to the strategic plan.

Pre-Renewal

To begin the renewal process, Gallagher develops a timeline that includes pre-renewal strategy meetings to discuss your expectations and objectives, evaluate vendor service levels, and understand Fauquier's benefits strategy. The timeline allows for negotiation with proposed vendors, marketing the account if the vendor's renewal action is not reasonable, and considering alternative vendors.

We recommend an annual walkthrough of the strategic planning process, which includes:

- Presenting an annual report that provides an overview of the past year and plan performance
- Collaborating on planning sessions to create or adjust strategy for future years
- Updating forecasts of plan performance and budget projections
- Conducting predictive modeling analysis to test potential changes to plan design, funding, or contribution levels
- Creating an annual service calendar outlining deliverables throughout the year

Continued: Plan Marketing & Renewal

Renewal Negotiation

Our experience and knowledge of innovative benefit program approaches allow us to thoroughly review and identify the best options for you. We also review industry and marketplace trends and develop projections specific to your health benefits program.

Gallagher provides and negotiates annual renewals from carriers and benefits-related service organizations on behalf of Fauquier. We prepare detailed bid specifications, analyze proposals, and counsel Fauquier on program changes based on the RFP findings. Our renewal approach includes analyzing loss ratios, retention levels, and billing margins, and negotiating rates, benefit levels, plan design, terms & conditions, and performance guarantees. We also provide employee and employer contribution rates complying with Fauquier's various bargaining agreements.

Marketing Strategies

Gallagher has the experience, relationships, and independence to represent Fauquier to carriers. We objectively evaluate carriers that offer the right products for your needs. We maintain independence to provide the most qualified carriers, vendors, networks, and risk arrangements for each negotiation.

Your Gallagher team will manage every detail of the marketing process, including:

- Strategic development to identify goals, analyze program costs, and review funding arrangements
- Managing the renewal with the current carrier to achieve lower costs
- Recommending alternatives to the current carrier
- Developing a renewal timeline from RFP preparation to employee communications
- Tailoring the RFP to Fauquier's desires, needs, and financial directions
- Exploring funding alternatives, including analysis of self-funded plans, TPAs, networks, and stop-loss reinsurance
- Evaluating vendor responses and conducting finalist interviews
- Providing a renewal analysis report with program and claims cost projections and benefit designs
- Collaborating with Fauquier's HR management, leadership, and benefits & finance committee to finalize decisions

After implementing your employee benefits program, Gallagher will proactively monitor its performance and resolve any issues that arise.

Gallagher has a proven track record of helping employers best contain growing healthcare costs. Our process begins by taking a comprehensive view of a client's overall benefits program, culture, vision and mission. We compare that information to an organization's overall goals and then determine the best recommendations to achieve optimal cost savings while staying in alignment with core goals such as attracting, retaining and engaging talent.

Negotiations

Negotiations Gallagher is a top employee benefits consulting firm and brokerage with preferred vendor status with most insurance carriers. Our successful, stable, long-term position with key vendors allows us to negotiate competitive rates. We have strategic partnerships with major insurance carriers and third-party administrators, and we conduct due diligence to find the best fit for each client. If our strategic partners are not the best fit, we work with other vendors to secure preferred partnership terms.

Due to our large business volume, we have strong market leverage and special service arrangements with leading insurance carriers and vendors. This allows us to provide Fauquier with a consulting team supported by strong and ethical vendor relationships.

Finalist Interviews

When preparing for finalist interviews on behalf of Fauquier and conducting those interviews, we will set the stage for productive meetings by communicating your expectations to each vendor. We will also schedule those meetings, set their agendas, and prepare scorecards. When all is said and done with the interview process, you'll receive an analysis to help you make an informed final decision.

Forensic Contract Review

Contracts will be formally reviewed by your team to help ensure that they accurately reflect the appropriate provisions, services, and/or coverage placed on behalf of Fauquier. The review must be checked against such documents as the application(s), proposal(s), prior policy(s), and/or renewal(s) to determine the accuracy of the policy. Once completed and documented, then we can request any necessary corrections from the carrier. We take the review a step further to identify potential pitfalls and contract provisions that may disproportionately benefit the carrier/PBM/TPA. By identifying and addressing these areas, we are able to help our clients optimize their healthcare budget.

Plan & Vendor Management

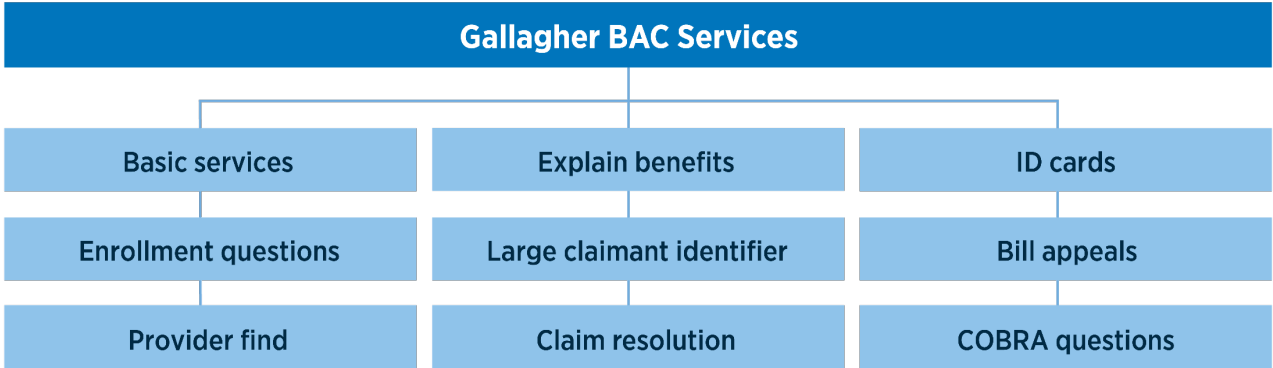
Proper vendor management begins with selecting the right partners for Fauquier's employee benefits program. As one of the leading employee benefits consulting and brokerage companies, Gallagher maintains strong working relationships with the top markets in the industry. We actively engage with them on both national and local levels to fully understand their capabilities, offerings, innovations, and Accountable Care Organizations (ACOs). Our selective recommendations ensure we match you with companies, products, and services that meet your specific needs. Gallagher regularly negotiates performance guarantees with vendors and reviews their performance against these set standards. Vendor management is always on the agenda during our regular meetings.

With thousands of clients nationwide, Gallagher possesses tremendous negotiating leverage and knowledge of the range of health and welfare vendors, both locally and nationally. This is invaluable to our clients as they seek ways to ensure they get the most value for their dollar. Our team members serve on the advisory boards for many local and national insurance carriers. We stay closely connected to the carriers to stay current on new product offerings, changes in underwriting, or other matters that may affect our clients. We also share ideas from the marketplace and client feedback. We maintain high-level contacts locally and nationally to have leverage when needed.

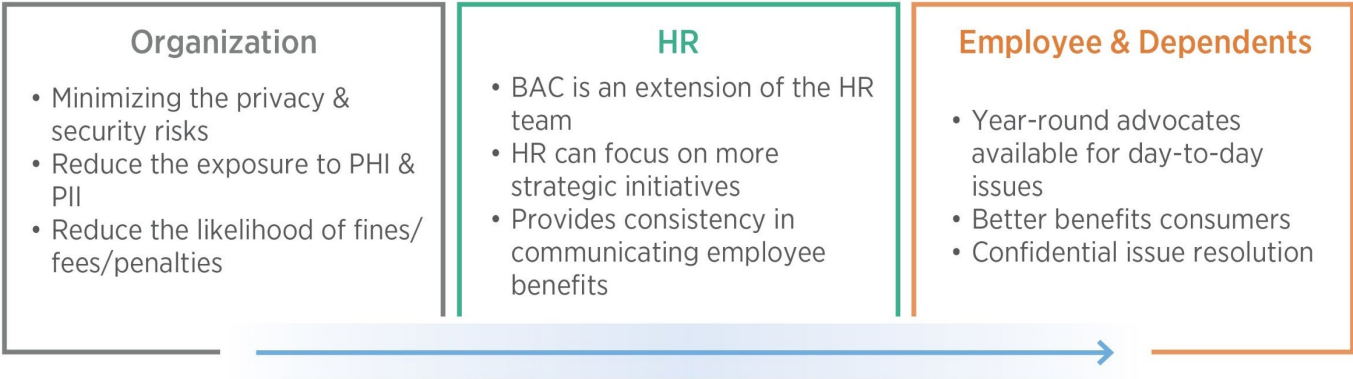
As a full-service extension of Fauquier's HR/Benefits department, Gallagher represents your best interests in all interactions with carriers and vendors, including negotiations and ongoing service. We attend and lead all scheduled vendor meetings, making vendor performance a standard agenda topic for our meetings with you. Your Gallagher team provides the service, support, and training your staff needs to work effectively with the selected vendors. We coordinate all open enrollment activities and support all your communication needs. A vendor's ability to deliver on their promises is an important consideration in the vendor selection process.

Benefit Advocate Center

Gallagher's Benefit Advocate Center (BAC) offers personalized year-round access to service for employees and their families through a single multi-lingual, toll-free number or dedicated email address. Our trained Gallagher BAC service team support includes help with benefit questions and support in navigating health care and insurance systems.



Gallagher's BAC Member Services Specialists go a step further and serve as liaisons with health care providers and insurance plans. They help members locate in-network providers, order ID cards, resolve insurance claims and billing errors, and address any other issues that they may arise with benefit plans. Resolving those issues expertly and efficiently helps both the employee and the employer get the most value from your benefit program, helps increase productivity, builds trust, and saves employees and employers time and money.



Pharmacy Consulting

The pharmacy benefit is one of the largest and most complicated components of a healthcare benefits package. It is a challenge simply to stay informed about issues that affect your plan, making it even more difficult to ensure the pharmacy benefit delivers optimal value to Fauquier and your employees.

But when you rely on Gallagher's Pharmacy Benefit Management Consulting team, you'll have a partner that allows you to focus on broader benefit strategies. We leverage real-world expertise and clinical insights to keep you current on issues that affect your prescription drug plan. And by assessing your PBM contract, we can help design your next contract and provide consulting focused on audits, managing costs and increasing plan satisfaction.

Gallagher's Pharmacy Benefit Consulting team is comprised of a highly experienced team that has worked with a number of different types of very complex organizations to exceed their pharmacy program goals and objectives. Our Pharmacy Benefit Management Consulting team includes over 60 pharmacy experts, including 11 pharmacists, in the areas of clinical pharmacy, audit, analysis, operations and program evaluation.

Pharmacy Benefit Management Consulting and Health Plan Services

1

PBM RFP, Procurement and Contracting

Gallagher offers an industry-leading end-to-end PBM procurement process, designed by former PBM underwriters and professionals, that optimizes the final PBM service agreement and leads to better transparency and PBM partnerships. Our support includes carve-in, carve-out and/or insourcing nearly every element of the PBM business model. Plans can select the complete end-to-end process, or we can customize a project to support any phase along the way.

2

PBM Implementation/Migration Support

Gallagher can assist with PBM implementations and transitions. Our team will work with your team, your existing PBM and your incoming PBM to ensure a successful go-live. Gallagher offers a wide array of implementation and transition support services to help ensure that a vendor transition is smooth and successful.

3

PBM Pre-Delegation Audit

CMS requires Medicare plan sponsors to monitor and audit their PBMs. Gallagher conducts pre-delegation audits of PBMs to validate the PBM's compliance with CMS rules and regulations for the services delegated.

4

Pre- and Post-Implementation Claims Testing

Medicare Part D claims are under more scrutiny than ever. Let Gallagher help you identify and remediate common audit findings such as unbreakable packages, Part B versus Part D determinations, transition, protected class drugs and utilization management restrictions. Our testing approach supports your team from formulary analysis through paid and rejected claims analysis and monitoring.

5

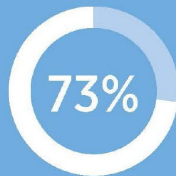
Financial Pharmacy Program Audits

Gallagher's best-in-class audit process is designed to hold PBMs accountable for their financial and operational commitments based on the expectations documented in the client's PBM contract. Our auditing, oversight and consulting services keep you protected throughout the life of your contract. We have focused significant efforts on our PBM audit service capabilities to ensure comprehensive audit services are provided to meet unique needs and contract structures for our clients.

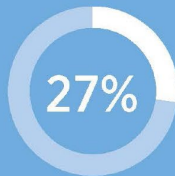
SEE HOW ORGANIZATIONS ARE OPTIMIZING AND SAVING WITH THEIR PBM CONTRACTS

Gallagher's Pharmacy Benefit Management Consulting practice understands how to optimize savings for our clients. Our expertise comes from years of experience and conducting more than 140 requests for proposal (RFPs) and pharmacy benefit management (PBM) renegotiations in 2022.

Our robust team of 70 consultants is dedicated to helping clients manage their prescription benefit drug spend and advocating for the overall wellbeing of their people.



stayed with
incumbent
PBM
contracts



moved
PBM
contracts

Whether clients moved PBM contracts or stayed, they gained better pricing, better service and better products through the RFP process.

RFP WITHOUT ALTERNATIVE FUNDING

19.48%

The average three-year savings for clients

16.39%

The average savings within the first year of that three-year contract

CONTRACT RENEGOTIATIONS

13.10%

The average three-year savings for clients

10.28%

The average savings within the first year of that three-year contract

**\$3.1
million**

recovered through
127 PBM audits*

*26% of the audits resulted in recoveries.

Based on data from 2022 pharmacy benefit RFPs and renegotiations, provided by Gallagher's pharmacy underwriting department.

Legislative Compliance Consulting

Gallagher has an in-house benefits compliance team that consists of over 30 team members across the country. We regularly monitor critical developments at the federal and state level, including federal issues under the ACA, ERISA, COBRA, HIPAA, and similar laws, and state law issues such as state individual mandates and related reporting requirements, state and local benefit mandates for employers doing business in those jurisdictions, and other state law issues affecting your health and welfare plans.

We maintain a complete compliance database for our advisors with summaries of legislative and regulatory requirements along with practical tools, such as FAQs, sample forms, and checklists. In addition, we subscribe to IRS, DOL and other federal and state distribution lists, as well as materials provided by the Employee Benefits Institute of America (EBIA) and the American Benefits Council (ABC), to ensure that we have access to timely information that we can then review, interpret, and communicate to our Gallagher service teams and their clients.

We utilize a variety of formats to communicate compliance developments to our clients, ranging from a concise “just the facts” approach to a deeper dive into the complexities of new laws and regulations. Among our most popular compliance communications are the following:

- **Directions Newsletter:** Our signature bi-monthly publication featuring articles on employee benefits and HR topics that affect our diverse group of clients nationwide.
- **Compliance Connections:** Publications highlighting a wide variety of compliance topics for employers to consider. Each issue will focus on a specific topic that confronts Fauquier as they continue to better their compliance.
- **Compliance Alerts:** Updates on developments in Congress, the regulatory agencies, and the courts, which are the most newsworthy or time-sensitive.
- **Benefits Boost!:** Our monthly communication provides guidance, resources, and tools on a variety of health and welfare compliance topics to help employers stay prepared.

With respect to state law issues in particular, our monthly Directions newsletter contains a “State Law Review,” which provides a monthly discussion of new state and local benefit laws that affect our clients. Gallagher has clients in all 50 states and rises to challenge to meet the needs of our national book of business.

In addition to these publications, Gallagher provides webinars and HR Strategy Sessions to discuss a variety of compliance topics throughout the year. We gather experts and thought leaders within Gallagher to lead these presentations and to provide education on timely and key topics.

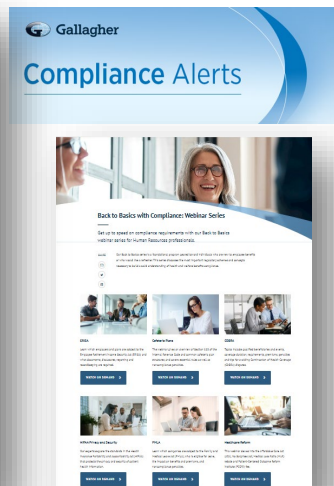
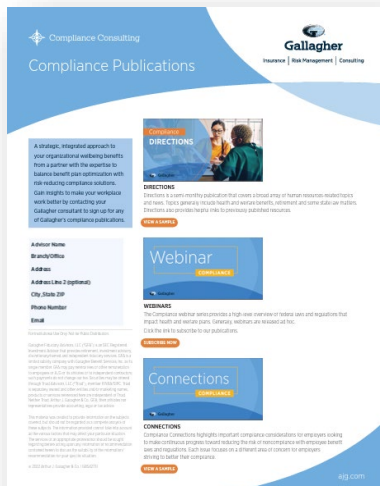
GALLAGHER'S COMPLIANCE CONSULTING SERVICES

Client-Facing Team of Compliance Experts

Assistance with Day-to-Day Compliance and Administrative Questions

Strategic Compliance Insight For Your Benefit Program

Legislative and Regulatory Monitoring and Support



Continued: Legislative Compliance Consulting

Gallagher has client solutions for each of these compliance obligations:

Sections 6055 and 6056 Reporting

Gallagher created a Sections 6055 and 6056 Reporting Toolkit for clients as soon as the reporting obligation arose under the ACA. Since that time, we have counseled numerous clients on their reporting obligations and have kept them apprised of further developments including the annual changes to the IRS Forms 1095-C and 1094-C reporting instructions, last-minute extensions of time provided by the IRS, and good faith reporting relief opportunities. In addition, Gallagher's Human Resources and Benefits Technology practice is available to consult with you on various reporting vendors and can provide a number of alternatives to your current reporting solution, if desired. Finally, our client service and compliance teams have served their clients by acting as a frequent intermediary with reporting vendors to make sure that they are meeting IRS obligations.

CMS RxDC Reporting

CMS RxDC Reporting: Working alongside each Medical carrier, Third Party Administrator, and Pharmacy Benefit Manager, we provide clarity on both carriers' and clients' roles in submitting their data files. Your benefits team is well-versed in current and emerging legislation pertaining to self-funded clients and uses this knowledge to guide you through the process from start to finish. Although Gallagher does not complete the reporting, we do remind our clients of the deadlines, provide how-to resources to do the registration and reporting, and assist in obtaining the data necessary if the carrier or TPA chooses not to handle the reporting.

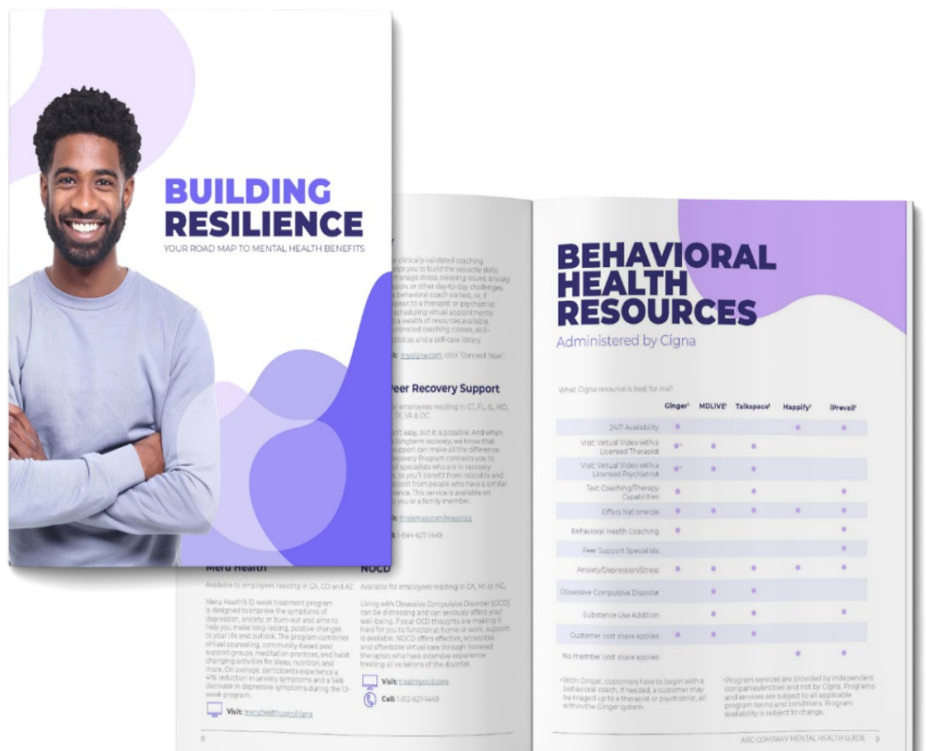
In addition to our core services (which are included in our standard fee), we can also offer the following additional compliance services upon request, for an additional fee:

- **HIPAA Services:** To help clients ensure their plans are in compliance with the HIPAA Privacy and Security regulations, Gallagher can offer comprehensive HIPAA Privacy and Security policies, procedures, and training. These consulting services are available at different service levels and price points to meet your needs.
- **Nondiscrimination Testing:** if you do not currently perform nondiscrimination testing or wish to change vendors, we can explore various options. Gallagher has partnered with CxC Solutions to provide nondiscrimination testing services for health and welfare plans. Based in Dallas, Texas, CxC Solutions offers a nondiscrimination testing platform with a flexible approach, which covers cafeteria plan, health FSA, DCAP, and self-insured medical plan testing.

Communications Consulting

Communications is one of Gallagher's recognized strengths in the employee benefits marketplace. Your Gallagher Communications team will want to understand your organization's unique communication style, brand guidelines, and priorities that need to be communicated. Before applying our insights to the strategy, design, and delivery of your communications, we will work collaboratively with you to ensure we capture your preferences, and the needs and concerns of your employees.

The value of your employee benefits program relies on your employees' understanding of your program as a part of their total rewards package. Your Gallagher Communications team will work with you to develop a communications strategy and roadmap for ensuring your employees feel confident they understand the benefits your offer and can choose the benefits that are best for them.



Continued: Communications Consulting

Gallagher's Communications team creates all communications materials. We also offer communications services, resources, and technology solutions that include:

- **Print and digital employee communications** – We work with you to develop printed and digital communications that engage your employees' and inspire them to take action. These communications may include benefit guides, Open Enrollment and new hire materials, monthly newsletters, posters, wallet cards, mailers, emails, and more.
- **Open Enrollment communications** – Our goal is to help you achieve your best outcomes and provide engaging, easy-to-understand deliverables to your employees. When creating the communications strategy, we consider your employee demographics, available and potential communication channels, and enrollment goals and budget. There are several "value-adds" built into our services. We may recommend additional items, based on strategy development, which include:
 - Standard benefits summaries
 - Organization of vendors and applicable materials
 - Announcement letters (benefits fairs, plan design changes, etc.)
 - Open Enrollment literature, presentations, videos
 - Implementation timeline
- **Web-based communications** – Gallagher works with several employee communications platforms. We can make a recommendation based on your needs.

Effective communication accomplishes more than just informing your employees about their benefits. It tells your story, inspires employees to act, and fosters a deeper understanding of the value of the benefits you offer. Employees who have a greater understanding of their benefit program value it more and are more likely to stay with your organization longer. Increasing employee retention, engagement, and recruitment are critical outcomes of a strong communications program.



Physical & Emotional Wellbeing

Gallagher is experienced in helping our clients successfully implement wellbeing initiatives and programs. As a part of the Gallagher team, Fauquier's Wellbeing Consultant will be included in your annual strategic planning meetings as well as medical and pharmacy utilization reviews with your carrier. Your Wellbeing Consultant will use their knowledge of your organizational goals, your current resources, industry trends, and your carrier's capabilities to build or evolve an impactful wellbeing program that is tailored to your workforce.

First

We will assess your current wellbeing programs. We will utilize Gallagher's Wellbeing Resource Inventory to understand what resources your organization has today and begin to develop a gap analysis for future opportunities.

Second

We will look to collect employee feedback about current initiatives and potential future support. We find that it is critical to consider your people's interests and opinions when assessing the potential for a wellness initiative.

Third

We will look at available data. We will gather data from a variety of sources such as medical and pharmacy claims, health risk assessments, biometric screenings, and workers compensation to gauge overall employee health and program utilization/participation.

With those three steps completed, we will collaborate with you to develop and implement a comprehensive short-term and long-term action plan that will encompass both health promotion and health risk solutions. This action plan will act as our path forward, together as partners, to achieve meaningful and measurable outcomes. On an annual basis and throughout the year, we will revisit the strategy, evaluate action steps for change, monitor data, and proactively bring you relevant ideas and trends to continuously make your programs better.

In addition to the consulting provided, as a Gallagher client, you will have access to the following wellness resources:

- **Live Well Monthly**, Gallagher's wellbeing resource featuring the following materials in English, Spanish, and French Canadian:
 - Monthly newsletters you can send out to your employees with tips, tricks, and information about living a healthy lifestyle including healthy recipes
 - Printable posters to hang in your workplace that correspond to a theme from the newsletter



Continued: Physical & Emotional Wellbeing

- Templates for total wellbeing activities or challenges with tracking cards tied to each month's theme that can easily be executed by HR, the wellbeing champions, or a team of employees
- Live Well Toolkits, a valuable set of documents with ideas for establishing or evolving your wellbeing initiatives in the following areas:
 - Implementing Tobacco Cessation Initiatives
 - Building a Wellbeing Committee
 - Planning a Flu Vaccine Clinic
 - Planning a Health Fair
 - Examples of Common Incentives
 - Utilizing Carrier Wellbeing Dollars

Gallagher Wellness Program Management Services:

Additional Fees Apply - This service can only be provided with an additional customized proposal and scope of service outline.

To complement the Physical and Emotional Wellbeing Consulting team's strategic consulting and the development of Fauquier's annual wellness program design, Gallagher is also here to help carry out your wellness program. Our hands-on Wellness Program Management Services help you plan, deploy, and track your wellbeing initiatives – giving you time back to focus on other areas of the organization. For the tactical day-to-day tasks of executing a wellness program, Gallagher has it covered. With a dedicated professional wellness program manager backed by a team of national experts, you will have the extra set of hands you need. Your wellness program manager can tackle everything from scheduling and hosting events to distributing communications, coordinating with vendor partners, leading and managing a wellness committee, and tracking participation, incentives, and budgets.

Your Gallagher Team

You can expect a highly skilled and dedicated team assigned to your account. Our team structure includes a Lead Consultant for strategic direction, an Account Executive for oversight, and a Client Manager for day-to-day plan management. We have a network of offices across the nation for regional support. Our team proactively identifies and resolves issues, and we provide a dedicated contact and backup team member. We are prepared to address urgent matters and offer strategic solutions. Trust Gallagher for comprehensive and proactive support.

References

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Gallagher's Financial Stability

Electronic copies of our most recent financial reports are available on our website at <https://investor.ajg.com/home/> under the "About Us/Investor Relations" section.

In our commitment to environmental sustainability, we have opted not to include the extensive 100+ page annual reports in this document. However, if you prefer a paper copy of each report, Gallagher will gladly provide it upon request.

Please be aware that Gallagher publishes annual financial statements as a single corporate entity and does not publish separate statements for each of our individual offices and divisions.



Insurance | Risk Management | Consulting

Gallagher is pleased to submit this proposal to you. While this proposal is not meant to constitute a formal offer, acceptance, or contract, notwithstanding anything to the contrary contained in the proposal, Gallagher is submitting this proposal with the understanding the parties would negotiate and sign a contract containing terms and conditions that are mutually acceptable to both parties.

This material was created to provide accurate and reliable information on the subjects covered by should not be regarded as a complete analysis of these subjects. It is not to provide specific legal, tax or other professional advice. The services of an appropriate professional should be sought regarding your individual situation.

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