

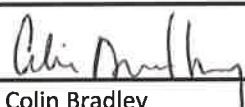
# STATEMENT OF WORK

## Structure of Agreement

This Statement of Work ("**SOW**") is entered into pursuant to the Master Services Agreement ("**MSA**") identified below between Winston Financial Services, Inc. and the customer identified below and is incorporated by reference into the MSA, and this SOW and the MSA together comprise the complete agreement between the parties ("**Agreement**") regarding those products and services defined within this SOW. If there is a conflict between the terms of this MSA and this SOW, the terms of the SOW shall prevail, and any capitalized terms not defined in this SOW shall have the meanings ascribed to them in the MSA.

## Signatures

Intending to be legally bound and having reviewed this SOW in its entirety, Winston Financial Services and Customer have caused this SOW to be executed by their authorized representatives effective as of the date set forth below.

	<b>Winston Financial Services, Inc.</b>		<b>Williamson County</b>
AUTHORIZED SIGNATURE:			
PRINTED NAME:	Colin Bradley		Dan A. Gattis
TITLE:	VP, Business Development		Williamson County Judge
COMPANY NAME ADDRESS &:	Winston Financial Services, Inc. 2399 Highway 34, Unit C-2 Manasquan, NJ 08736		Williamson County Purchasing Department 710 Main Street Suite 101 Georgetown, TX 78627
EFFECTIVE DATE OF SOW:	Date of Execution		
INITIAL TERM:	36 Months		
EFFECTIVE DATE OF MSA:	December 2015		

## 1. Services

Winston Financial Services, Inc. (herein "Winston") will provide Williamson County, herein referred to as "Customer" in the remainder of this document, with the Benefit Communication, Enrollment, Benefits Administration Technology ("BenefitInsite") and Outsourced Administration Services identified on Schedule A ("Services").

## 2. Term and Termination

**Term.** This SOW shall become effective on the Effective Date of SOW above, and shall continue in effect for thirty six (36) months.

**Termination For Cause.** Either party shall have the right to terminate this SOW with written sixty (60) day notice, in the event of a material breach by the other party, unless such breach is cured within 30 days of receipt of written notice of such breach. The obligations of the parties under this SOW that by their nature would continue beyond expiration, termination or cancellation of this SOW shall survive any such expiration, termination or cancellation.

**Termination for Convenience:** This agreement may be terminated at any time at the option of either party, without *future or prospective* liability for performance upon giving one hundred twenty (120) days written notice thereof. In the event of termination, The County will only be liable for its pro rata share of services rendered and goods actually received.

### 3. Payment for Services Rendered

In consideration for the Services rendered by Winston under this SOW, Customer shall make payment for goods and services shall be governed by Chapter 2251 of the Texas Government Code. An invoice shall be deemed overdue the 31st day after the later of (1) the date The County receives the goods under the contract; (2) the date the performance of the service under the contract is completed; or (3) the date the Williamson County Auditor receives an invoice for the goods or services. Interest charges for any overdue payments shall be paid by The County in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of The County's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday.

## Schedule A SERVICES

### 1. Case Setup Services

Winston will provide Customer with the appropriate resources to conduct all necessary Case Setup activities. These activities will include but not be limited to:

- a) Coordination with appropriate Customer contacts and vendors to setup a detailed communication and enrollment strategy for pending enrollments
- b) Onsite review and discovery of current processes and workflows
- c) Coordination with Customer to receive and analyze the "Customer Discovery Templates"
- d) Communication and coordination with Customer contacts of expected enrollment conditions, time frames and access related issues

In order to construct an orderly and prosperous enrollment environment, Winston will request a completed copy of the "Customer Discovery Template" twelve (12) weeks prior to the start of the enrollment. These sheets should contain at least the following information:

- a) Important Customer Contacts, Phone Numbers and Addresses
- b) Summary of "in-force" benefits programs including voluntary benefit programs
- c) Development and Testing of file interfaces
- d) Plan documents & summaries, ongoing admin rules for life events & new hires, all eligibility classes

Whenever necessary, Winston will be able to accommodate shortened timeframes (less than eight (8) weeks' notice) for case setup and enrollment functions.

### 2. Benefits Administration and Enrollment System

Provide all features and functions of Winston's Benefits Administration and Enrollment system, hereafter "BenefitInsite," delivered and made accessible through a web browser with Internet connectivity. The application will be accessible through various browser software including, but not limited to Mozilla Firefox 4.0 or greater and Internet Explorer 7.0 or greater, Google Chrome and Apple Safari. The application is provided on Software as a Service (SaaS) and is jointly hosted by Winston and its Managed Hosting Vendor, currently Rackspace LLC.

- a) **Employee Application Access.** Access to the application will be limited to employees of Customer as identified on the Customer's eligibility files.
- b) **Enrollment and Transactional Support.** Winston will, through the BenefitInsite application, enable eligible employees of the Customer to enroll in and/or modify certain employee benefit programs identified by the Customer as being available to employees and their eligible dependents. This application will support rules based eligibility management including the segmentation of data and enrollment options based on Customer benefit plan rules. Winston will provide this application and

perform this service throughout the calendar year and Customer benefit plan year, currently running from January 1st through December 31<sup>st</sup> for the purpose of supporting the following transactions:

- i. Benefits Enrollment during Annual Open Enrollment
  - ii. Benefits Enrollment for Newly Hired Employees
  - iii. Initiation of Qualified Life Events by Employees
  - iv. Designation and/or updating of Beneficiary Information for applicable plans
- c) **Beneficiary Management.** Winston will allow Benefit Plan Participants to change beneficiary and dependent information via the Web Application. Winston will be the primary holder of beneficiary information for Life and Disability plans should a claim arise. Customer will be responsible to ensure the electronic storage of beneficiary information is allowable by their chosen vendors.
- d) **Administrative Access and Rights.** Winston will allow Customer-designated Human Resources Professionals to have Administrative Rights to the benefits administration system. Administrative Rights provides access to the following features within the application:
- i. To access and view Participant benefit records, transaction history and customer service records
  - ii. To access and view participant documents, confirmation statements and other documents attached to the participant record
  - iii. To add/edit notes attached to the participant record
  - iv. To manage pending transactions based on Customer benefit plan rules
  - v. To execute approved transactions on behalf of participants using the “impersonate” or manager self-service functionality.
- e) **Customer/Winston Interface.**
- i. As part of managing eligibility and processing Plan enrollments, Winston will require a regular file of Participant census data including demographic information from Customer. Customer will produce these files no less than two times (2X) monthly in mutually agreed upon format and remit them to Winston in the agreed-upon file transfer protocol between Customer and Winston.
  - ii. Customer is aware that any deviation from agreed upon census file schedule may impact the delivery of its instruction file described in following paragraph.
  - iii. Winston will transmit to Customer via agreed upon file transfer protocol a benefit enrollment instruction file, indicating required deductions for Programs, the elected Plan and Plan or Program tier (if required) and any changes to demographic data allowed by Customer on no less than a two times (2X) monthly basis, following the receipt and processing of the above mentioned census file. Customer acknowledges that any Internet encryption technology employed in connection with the transmission of data contemplated under this Agreement is not invulnerable. Notwithstanding any provision of this Agreement, Winston assumes no liability under this Agreement to Customer or any third party as a result of a violation or failure, for any reason, of any such encryption unless due to the gross negligence or willful misconduct of Winston.
- f) **Third Party Administrator/Carrier Eligibility/Enrollment Files**
- i. Customer requires that Winston build, manage and maintain secure, electronic connectivity to benefit vendors as identified by the Customer for the purposes of communicating employee and dependent enrollment data and eligibility.
  - ii. Winston will coordinate with Customer designated benefit vendors to develop the necessary file interface requirements including file layout, delivery protocols and calendars for sending of Enrollment, Eligibility and Coverage data.
  - iii. Winston will assume all costs associated with developing, testing and administering electronic interface files to approved benefit vendors. If either the Customer or benefit vendor request changes to the file layout and/or interface protocol, Winston will make reasonable and customary changes to the files and protocols as necessary at no additional cost to the Customer. Except in circumstances where the vendor does not use either industry accepted interface protocols (i.e ANSI 834, XML, CSV) nor accept electronic files requiring a custom interface for which, WINSTON reserves the right to identify and discuss with Customer additional costs for which the Customer may be responsible.
  - iv. Winston will perform quality testing, and upon approval, initiate live production files.
  - v. Ongoing Electronic eligibility and data exchange (availability dependent upon vendor). It will be the responsibility of WINSTON to receive and review feedback and error reports following a file processing. If there are data errors caused by the benefit vendor, the benefit vendor must correct accordingly. Any data errors caused by the Customer must be resolved collectively by the Customer and Winston. Errors causing premium miscalculations, underpayments or overpayments will be addressed individually as to the financial obligation of the WINSTON and/or Customer.

- vi. Winston will conduct a semi-annual audit of the enrollment and eligibility data exchanged between WINSTON and the benefit vendors to ensure data synchronization. These will be conducted at no expense to the Customer.
- vii. For any benefit vendor that is unable to send or receive an electronic data file Winston will provide readable electronic files (ie excel, csv, fill able PDF) to those vendors for manual inputting by those vendors.

### 3. Federal Forms Generation, Filing

Winston will provide Customer and their applicable employees with reporting related to Form 1094 and 1095 for Applicable Large Employers. Reporting will consist of information gathered by the Customer Census Data, enrollment data from our own application (“BenefitInsite”) and additional data points collected from the Customer.

a) **Administrative Rights and Access.** Winston will allow Customer-designated Human Resources Professionals to have Administrative Rights to the application. Administrative Rights provides access to the following features within the application:

- a) Access Employee records and related applicable IRS Forms
- b) Edit Employee records and related applicable IRS Forms
- c) To view Dashboards and Reporting which includes the following features;

#### a) 1094-C – Employer Reporting – Electronic Filing of Employer Form

The screenshot displays the BenefitInsite web application interface. On the left is a blue navigation sidebar with icons for Dashboard, Employees, Employees, Digicardbar, Plans, Reports, and Forms. The main content area includes a search bar at the top, a 'Select a Form to View' section with a document icon and the text '1094-C Winston Benefits Demo', and a link that says 'Which forms do I need to file?'. To the right, there are 'Important Dates' for January 2016, February 2016, and March 2016, each with a calendar icon and a button labeled 'Edit Employer Forms'. Below this is a 'Report Summary' section for '1094-C'. The central focus is a preview of a Form 1094-C, titled 'Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns'. The form includes fields for 'Applicable Large Employer Member (ALE Member)', 'Employer address', 'State of service', 'Date of service', 'Employer's EIN', 'Employer's DUNS number', and 'Employer's NAICS code'. A large watermark 'DRAFT AS OF June 16, 2015 DO NOT FILE' is overlaid on the form. At the bottom right of the form preview, there is a section for 'For Official Use Only' with a barcode area.

#### b) 1095-C Employee Form – Electronic Generation and Storage of the Form 1095-C form.

**4. Dependent Verification and Auditing Procedures**

- a) **For All Benefit Transactions.** Employees completing a Qualified Life Event Enrollment transaction will be required to independently verify, through an online acknowledgement when performing the transaction on a self-service basis that the dependents they are enrolling in coverage meet the definition of the Customer’s dependent relationship definitions.

Customer has instructed that the enrollment transactions require substantiation proving such event occurred:

Transactions to Audited	Plans to be Audited
<ol style="list-style-type: none"> <li>1. Marriage/Legal Separation</li> <li>2. Domestic Partnership (if applicable)</li> <li>3. Birth/Adoption</li> <li>4. Death</li> <li>5. Spouse Loss of Coverage</li> <li>6. Dependent Age Out</li> <li>7. Change in Employment Status of Self or Spouse</li> <li>8. Loss/Gain in Coverage</li> </ol>	<ol style="list-style-type: none"> <li>1. Medical/Rx</li> <li>2. Dental</li> </ol>

- b) **System Processing of Dependents.** Transactions which require verification will be held in a pending state until the employee acknowledges through the approved upon procedure, the relationship with the dependent. In the event the documentation is not received within the required period, the enrollment transaction will be deleted.

All enrollments that are started but incomplete will remain in such status until Winston deletes. A waiting period, to be determined in conjunction with the Customer, will be provided to Participants to complete their enrollment prior to deletion.

- c) **Document Retention Policy.** Winston in its role as the benefits administrator and recipient of documents related to enrollment and eligibility will be responsible for retaining and archiving all documents received by Winston on behalf of the Customer and its participants. At a minimum, digital copies of these documents will be retained throughout the length of Customer relationship and continue for a period of at least seven (7) years following the severance of the relationship.

#### 4. Service Center Services

Throughout the year, Winston will provide all employees of the Customer toll-free access to our Service Center for the following purposes:

- a) **Application/Technical Support.** Representatives will provide the Customer's employees with assistance in resetting passwords, login assistance and navigational support across BenefitInsite.

**Call-Center Hours of Operation.** The Service Center will be staffed from Monday through Friday, 8:30AM to 8:00PM EST. Additional hours will be supported during Open Enrollment Periods.

**Call Recording.** All records taken by a Representative will be recorded and retained through the duration of our relationship with the Customer.

#### 5. Additional Considerations

During the implementation of the services described in Schedule A, the Customer agrees to partner with Winston on the successful delivery of described services. Winston will assign a Project Manager to the implementation that will manage the timely delivery of all deliverables and track progress on a weekly basis. The Project Manager will create and distribute a Project Plan to everyone associated with the implementation that will list all of the tasks required to complete the project. After discussing the tasks and due dates, the Customer and Winston agree to adhere to all of the due dates listed in the Project Plan. This is necessary to ensure that the project remains on schedule. In many cases, work performed by Winston is dependent on receiving items from the Customer. If the Customer is unable to meet any of its due dates, the project may be delayed. If Winston incurs additional cost to compensate for the late delivery of items from the Customer, Winston reserves the right to adjust the deliverable dates of our services and/or request additional fees as compensation for out of scope work, significant work performed after hours by staff and costs incurred to obtain temporary staffing such as Benefit Counselors. Proposed alternate delivery dates, penalties and/or additional fees will be identified to Customer at the time of delay.

#### 6. Custom Programming and Customer Service Requests

As part of this SOW, Winston will provide Customer with up to ten (10) hours of IT support per quarter in the form of programming, configuration adjustments and where necessary, appropriate and/or requested by the Customer, customizations made to the software which are not currently part of the application.

All modifications and changes to the existing application which are beyond the scope of support, operations or the functionality of the software will be assessed and scoped for impact and time. A change request will be generated which requires the Customer signature and authorization before work will begin.

Other than for any Customer-identifiable portion of any deliverable created pursuant to this paragraph, which shall belong to Customer, all such deliverables shall remain Winston's property and may be incorporated into BenefitInsite.

## Schedule B

### **SITE AVAILABILITY, PERFORMANCE & SECURITY PROTOCOLS**

Winston agrees that the services and applications described in this SOW shall be subject to the site availability, performance and security protocols described in this Schedule B.

#### **BenefitInsite**

1. The design, hosting, maintenance and operation of BenefitInsite includes, but is not limited to, the standards and practices set forth below:
  - a) **Availability**. BenefitInsite will be available 24 hours per day, 7 days a week and 365 days a year, subject to the below terms and conditions.
  - b) **Reliability**. It is our policy to be fully operational a minimum of 99.5% of the time (measured on a monthly basis), excluding Scheduled Maintenance. Winston will notify Customer of any scheduled maintenance which exceeds a period of 60 minutes. From time to time, scheduled maintenance may need to occur during regular business hours. Significant scheduled maintenance (more than one hour) during normal business hours will not occur more than twice in any 30-day period unless due to Winston's hosting provider notification that such maintenance is required. Winston will provide notice of any expected downtime due to scheduled maintenance. In the event Winston experiences an unplanned outage, Winston will notify Customers with a description of the material downtime (downtime lasting longer than 30 minutes), including an approximate length of time the site was down and a best-known reason for the downtime.
  - c) **Performance Standards**. Winston will maintain an average response time of twenty-five (25) seconds; "response time" is defined as server response time only and excludes network transmission time. In the event that response times are lower than described in the preceding sentence, Winston will make the necessary adjustments and remedy within a 30 day period. Winston will report on its compliance to the average response time on a quarterly basis.
  - d) **Data Protection and Security**. Winston (or its hosting agent) will maintain a protected and secure data center environment with physical access restricted to authorized personnel, and network and remote access for end users restricted by firewall and other electronic means. Winston's hosting facility will also provide sufficient fire suppression equipment so as to protect the computer hardware and network hardware used by BenefitInsite, and backup power supplies to provide uninterrupted supplies of electricity.
  - e) **Security Incident Response**. (A) "Security Incident" shall mean the loss or destruction of, unauthorized disclosure of, or unauthorized access to or use of, Customer Data. In the event Winston determines that it has experienced a security incident involving Participant data which may require Winston, pursuant to applicable law and subject to the terms of the Business Associate Agreement in Appendix C of the Agreement, to provide notice of such incident ("Security Incident"), Winston will do the following:
    - i. Provide Customer, as soon as is reasonably practicable, with the following information, to the extent then available: (a) the date the Security Incident occurred, (b) the date Winston discovered the Security Incident, (c) a brief description of such Security Incident, and (d) a description of the steps that have been, or will be, taken to investigate the Security Incident, mitigate its potential harmful effects, and prevent a recurrence. Customer shall treat any information received from Winston in connection with a Security Incident as Confidential Information;
    - ii. Update the information provided pursuant to paragraph A on a reasonable basis as material, new information becomes available to Winston;
    - iii. Provide Customer, as soon as is reasonably practicable and in all events before Winston delivers any security breach notification to any Participant, with a complete list, including name and mailing address, of each Participant to whom Winston will deliver the notice;
    - iv. Provide Customer with a reasonable opportunity to review and comment upon any security breach notification that Winston plans to deliver to any Participant before Winston delivers such notice; provided, however, that Winston may provide the security breach notification to any Participant prior to providing Customer the information in paragraph A.e.3 and prior to the completion of Customer's review and comment period pursuant to this paragraph if necessary to comply with applicable law; provided, further, that Winston shall not be responsible for and Customer shall indemnify, defend and hold harmless Winston with respect to any delay in notifying Participants caused by Customer's review of the notifications described in this paragraph;
    - v. In the event Winston does not offer in its security breach notification, at no charge to the Participant to whom Winston will deliver the notice, services to mitigate the potential harmful effects of the security breach, such as

- credit monitoring and fraud resolution services, promptly reimburse Customer for the reasonable costs incurred by Customer in connection with its offering such services, which are reasonable and customary in relation to the security breach, including, but not necessarily limited to, credit monitoring and fraud resolution services, to any Participant to whom Winston delivered a security breach notification;
- vi. In the event Winston in its security breach notification, at no charge to the Users to whom Winston delivers the notice, offers services to mitigate the potential harmful effects of the security breach, promptly reimburse Customer for the reasonable costs incurred by Customer in connection with its offering any supplemental services which Customer in good faith and after consultation with Winston reasonably believes are necessary to mitigate the potential harmful effects of the security breach to the affected Participants.
- f) Availability of Cloud Services. Winston (or its hosting agent) will use private cloud technology to maintain resiliency of the web servers and Internet connectivity for the BenefitInsite system. The infrastructure will accommodate the failure of individual items by not impairing the delivery of text, graphics, or other information to users of BenefitInsite.
- g) Backup. Winston will perform automatic and regularly scheduled backup of all data entered on BenefitInsite on a daily basis and will maintain procedures for restoration of such backups. Backups will be stored at a commercial media storage vendor located offsite from the server facility. Transport of media will be provided by bonded courier or vendor's agent. Winston will regularly back up programs running on BenefitInsite whenever these programs are modified. Backup media sets containing Customer data will be stored in encrypted format, per Winston security standards, and retained for a maximum of four (4) months unless otherwise amended by contractual obligations.
- h) Staffing Levels. Winston (or its hosting agent) will maintain twenty-four (24) hours per day, seven (7) days per week staffing of the data center hosting facility.
- i) Security Monitoring. Winston will maintain a plan for identifying and avoiding losses of data or programs, breaches of security, viruses, and disabling or harmful devices on the computers operated in connection with the design, hosting, operation and maintenance of BenefitInsite.
- j) Facilities Management. Winston (or its hosting agent) will maintain a facilities management plan, including data backups, computer hardware maintenance, network hardware maintenance, installation of software updates and fixes as supplied by the manufacturers of the computer and network hardware in place.
- k) Real Time Activity Monitoring. Winston will maintain a real time activity monitor that will detect any significant performance degradation or down time for BenefitInsite, including, but not limited to, server availability and health, effectiveness of the firewalls, and the availability of the database.
- l) Disaster Recovery. Winston (or its hosting agent) will apply all Disaster protection and recovery mechanisms set forth in Winston's Disaster Recovery Plan (as updated by Winston from time to time) to avoid and/or minimize the loss of service and/or damage arising from any impairment of BenefitInsite, caused by and/or resulting from a Disaster. For purposes of this subsection, a "Disaster" includes any threatened or actual interruption or shutdown (of any duration) of any facility that directly or indirectly affects BenefitInsite. Winston will report on the results of its real-time activity monitoring that will detect significant performance degradation or down time on BenefitInsite on a quarterly basis.



**Schedule C**  
**SERVICE FEES**

Pricing is based on the following assumptions and highlights:

Variable	Assumption(s)
<b>Headcount &amp; Eligibility</b>	1,750 Full-Time, Benefit Eligible Employees 100 Retirees
<b>Vendor Interfaces</b>	All Vendors including Payroll Vendor
<b>Wellness Incentive</b>	Yes, if applicable

**2016 – 2019 Summary of Services**

**BenefitInsite Communicate, Enroll & Admin**

- Web Based Benefit & Communication Portal
- Manager & Employee Self Service (OE, NH, LE – *all benefits*)
- Administrator Rights & Reporting
- Beneficiary, Eligibility & EOI Management
- Recordkeeping for all enrollment and eligibility data
- Dedicated service team to manage scope of service deliverables

**Vendor Administration**

- Secure, Electronic Integration w/ Vendors
- Carrier Eligibility Reporting & Reconciliation

**Employee Service Center**

- Application and technical support
- Includes toll-free #, call recording & line charges

**Dependent Eligibility Services**

- Documentation pends and storage of all eligible transactions

**ACA Employee & Employer Federal Form Reporting**

- Form 1094-B Employer Generation & Submission
- Form 1095-C Employee Form – Electronic Generation
- Documents available within the application
- 1095-C Employee Form Printing
  - Print & Fulfillment of Form 1095-C
  - USPS 1<sup>st</sup> Class Postage

**Fee For Services**

**\$2.88 PE/PM**

1. All implementation and/or up front charges are **WAIVED**.
2. Fixed rate pricing for 3 year period insures vendor and service stability.
3. Assumes vendor and plan and contribution rate changes within each plan year.
4. Assumes load of “in-force” data prior to go “live” date.
5. Fulfillment of the 1095-C Employee Form is based on current 1<sup>st</sup> Class postage rates. Winston reserves the right to revise the annual fulfillment cost based on changes to the 1<sup>st</sup> Class postage rate.
6. Billing of the monthly fee will begin on the month BenefitInsite goes “live”.