



# COLLEGE OF THE REDWOODS

## 2015-16 Request for Qualifications – District Section 125 Services Provider

The Board of the Redwoods Community College District is initiating a process for the selection of a firm to perform Section 125 financial services for eligible employees for a period of up to five years from the initial date of contract. The purpose of this RFQ is to solicit responses from firms well qualified to provide Section 125 Flexible Benefits Plan Administration for a California public agency. As part of this process, we are requesting written responses to the Request for Qualifications (RFQ) to create a list of firms qualified to provide services. The list of qualified firms will be utilized for a period of up to five years.

The District's intent is to enter into a contract with a firm on the qualified list, in accordance with the District's standard consulting contract, for the plan year. A plan year will begin on January 1 and end the following December 31.

This RFQ is an informal solicitation of proposals only. It is not intended, nor is it to be construed, as engaging in formal competitive bidding pursuant to any statute, ordinance, policy or regulation. All responses are subject to public records disclosure.

### 1. Mandatory Requirements

A proposal will not be considered unless the Firm submitting the proposal meets the following criteria:

Responses to the RFQ must be received at the following office address:

Payroll Office  
Redwoods Community College District  
7351 Tompkins Hill Rd  
Eureka, CA 95501-9300

Proposals are due by 2:00 p.m. June 17, 2016. Late proposals will be rejected. It is the responsibility of the submitting Firm to make sure the proposal is delivered to the specified location by the date and time specified above. Hand delivered or mailed proposals must be sealed with the envelopes clearly marked in the lower left hand corner "Sealed Proposal for Section 125 RFQ". Proposals will also be accepted by email. To email, complete, sign, and return by email an electronic copy of the complete proposal to [Julia-Morrison@redwoods.edu](mailto:Julia-Morrison@redwoods.edu). Please include any attachments, flyers, and the like as attachments as well. Please e-mail any questions regarding this proposal to Julia Morrison, at Julia-Morrison @redwoods.edu. Please note that the District's email server has a 10 megabyte limitation on email attachments. Emails exceeding this limit will be refused by the email server. The District is not responsible for refused, lost, misdirected emails, etc. It is recommended that you follow up before the deadline to ensure your email and its attachments were received intact.

This RFQ does not commit the District to award a contract or to pay any costs incurred in the preparation of any proposal responsive to this request. The District reserves the right to accept all or part of any proposal or to cancel in part or in its entirety this RFQ. The District further reserves the right to accept the proposal that it considers to be in the best interest of the District. While price is a consideration, the District reserves the right to award a contract on the basis of its overall evaluation.



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It is the policy of the District that no person or Firm shall be excluded from participation in, denied the benefits of, or otherwise be discriminated against in the award and performance of any District contract on the grounds of race, ethnicity, creed, religion, color, national origin, age, sex, or sexual orientation.

The Firm must have a demonstrated record of professional, quality work. All Section 125 services efforts on the part of the Firm shall be in compliance and consistent with all Federal, state, and local Laws/statutes/regulations and of the highest ethical and professional standards.

### 2. Background information

The Redwoods Community College District is a political subdivision of the State of California. The District's operations consist principally of providing educational services to the local residents of the District. The District is classified as a governmental instrumentality under Internal Revenue Code Section 115. The Redwoods Community College District is classified as a charitable organization under Internal Revenue Code Section 501(c)(3) and is exempt from Federal taxes.

The District is a single-college District with approximately 3,900 Full-Time Equivalent Students. It is comprised of one campus located in Eureka, CA, an educational center in Crescent City, CA, an educational site in Hoopa, CA, and another in Garberville, CA.

<u>Employee Groups</u>	<u>Apx. Number</u>
Faculty (full-time)	90
Faculty (part-time)	205
Administrators	15
Managers	35
Classified Staff	165
Hourly (temps & students)	305

The District's unrestricted general fund revenue budget for fiscal year 2015-16 is \$29 million. The District's latest financial audit reports and the latest financial and budget reports are available at: <http://www.redwoods.edu/District/BusinessOffice/reports.asp>

### 3. Information and General Conditions

#### 3.1 Definitions

The term District or College shall be construed to include the Redwoods Community College District, the College of the Redwoods, and all employees, officers, and agents of the Redwoods Community College District.

The term Firm, Agency, Proposer, Consultant or Contactor shall be construed to include the Firm and all employees, officers, and agents of said Firm.

The term Section 125 shall include Section 125 Cafeteria Plans as defined in Internal Revenue Service codes where employees may withhold a portion of their salary on a



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pre-tax basis to cover the costs of items such as qualifying insurance premiums, medical expenses and dependent care expenses. The purpose of this RFQ is to solicit responses from firms well qualified to provide Section 125 Flexible Benefits Plan Administration.

3.2 Signature

The proposal must be signed in the name of the Firm and must bear the signature of the person authorized to sign proposals on behalf of the Firm.

3.3 List of Qualified Firms

Successful firms will be included on a list of Firms qualified to provide Section 125 services for the District, referred to as the “qualified list”. Written notification will be made to Firms that will not be included on the qualified list.

3.4 Award of Contract

If a contract is awarded, it will be to a responsible Firm on the qualified list whose proposal is deemed to best meet the needs of the District. Following the selection of the apparent successful Firm, the District will enter into negotiations regarding provisions of a non-exclusive contract. If a satisfactory contract cannot be negotiated, the District may, in its sole discretion, begin contract negotiations with another Firm on the qualified list and may terminate negotiations with the originally selected Firm.

3.5 Supplemental Compensation and Additional Services

If additional services are authorized, the Agreement will be amended in writing to reflect the additional services and supplemental compensation shall be at the rates applicable for the then current engagement year. If additional work is not authorized in writing by the District’s Chief Business Officer, services will be performed only as far as the work is authorized and may include an explanation regarding the circumstances involved.

3.6 Independent Firm

While performing services pursuant to an Agreement with the District, the Firm is an independent Firm and not an employee, officer, or agent of the District or the District.

3.7 Disputes

Any disputes will attempt to be resolved by informal mediation. The venue for any dispute shall be Humboldt County Superior Court and no other place.

4. Scope of the Services

The Scope of Work is to be used as a general guide and is not intended to be a complete list of all work necessary to complete the proposed agreement. Firms responding to the RFQ shall be prepared to deliver services and perform the work necessary to provide Section 125 services within one month of the issuance of a contract.

4.1 Firm will provide Section 125 administration services and make available to eligible employees a range of options, including medical flexible spending accounts, dependent flexible spending accounts and related products and services.



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- 4.2 Firm will comply with State and Federal Laws and requirements to preserve the pre-tax benefit for employees.
  - 4.3 Firm may offer informational sessions on an occasional basis to inform employees of new requirements, new benefits, changes and updates and related information. Firm will be required to follow the District's Facility Use Procedures for meetings requested to occur on District property. The District will inform eligible employees through occasional emails with the content of the email pre-approved by the District's Director of Human Resources. Each employee, at their sole discretion, may choose to attend or not attend such meetings.
  - 4.4 Firm shall refrain from selling, publishing or otherwise providing client information for any purposes other than those processes necessary for the Section 125 administration.
  - 4.5 Any fee, charge, penalty, etc. that the Firm proposes to assess to the District must be disclosed as a specific charge in the *Cost of Services* section of their proposal.
  - 4.6 Firm will maintain confidentiality on all accounts assigned by the District and identify how that confidentiality will be maintained.
  - 4.7 Firm will maintain separate files for each account for audit purposes. Audit of any and all assigned records is left to the discretion of the District at any time. The District shall have the right, at any time during regular business hours, to inspect the records relating to the District's accounts kept by the Firm at the Firm's place of business. The Firm must retain said records for at least four (4) years following the final payment under the proposed contract.
  - 4.8 Firm will maintain a disaster recovery plan to protect the District's accounts and the confidentiality of the information contained therein.
  - 4.9 Firm will immediately (within 7 working days) return all accounts and records upon termination of contract by any party.
  - 4.10 Firm will provide to the District's Human Resources Director with electronic copies, in Microsoft Word, Excel, pdf, or similar format, of monthly detailed reports reflecting balances for each account, detailed transactional activity, and summary statements, and corrections, by the 10th of the following month.
  - 4.11 Firm will credit all monies collected to the Employee accounts the same day as collection. Remittance shall be made from the District to the Firm by wire transfer, electronic funds transfer, or other means acceptable to the District on a monthly basis.
5. Staffing
- 5.1 Firm shall assign professional staff as appropriate to conduct the Section 125 services. The Firm is responsible for the assignment of its personnel.
  - 5.2 Firm may not assign or subcontract any portion of its contract with the District without the prior written consent of the District's Chief Business Officer.
  - 5.3 Firm may subcontract with outside attorneys for the sole purpose of performing legal work on accounts only with prior express written consent of the District's Chief



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Business Officer. The Firm shall not add a processing fee, overhead charge, etc. to approved legal billings.

6. A copy of the District’s service contract is included as ***Attachment 1***. The contract contains additional requirements that the Firm must meet in order to perform Section 125 services on behalf of the District.

7. RFQ Response Requirements

Proposals shall include in the following order:

- 7.1 All RFQ Amendments

The most recent RFQ Amendment shall be on top of the Proposal.

- 7.2 Title Page

Indicate “Redwoods Community College District, Section 125 Service Provider RFQ,” the name of the Firm, local address, the name of the Firm’s contact person for the purposes of this RFQ, the telephone number of the contact person, email address of the contact person, and the date.

- 7.3 Table of Contents

Include a clear identification of the material included in the Firm’s response by section and page number.

- 7.4 Letter of Transmittal

Summarize on a single page your understanding of the work to be performed and explain why you believe your Firm is best qualified to provide the District’s Section 125 services. Indicate the names of the persons who will be authorized to make representations on the part of the Firm including their titles, email addresses, and telephone numbers. The person authorized to execute the contract on the part of the Firm must sign the transmittal letter.

- 7.5 Profile of Firm

- 7.5.1 State the size, location, history, range of services, and major clients of the office from which the work will be done if the Firm is awarded the contract.

- 7.5.2 Describe the range of experience that the Firm has in performing Section 125 services for community college districts, universities, college Districts, and other government entities in California.

- 7.5.3 Describe the range of activities performed by the office from which the work will be done. In particular, please indicate YES/NO as to whether your firm anticipates offering the following services:

- Section 125 Flexible Benefits Plan Administration, Including Medical and Dependent Care Flexible Spending Accounts (REQUIRED)
- Group Term Life
- Permanent Whole / Universal Life
- Short-Term Disability



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- Cancer/Intensive Care
- Critical Illness
- Accident Plan
- Hospital Indemnity – Sickness Plan
- Other (please specify)

### 7.6 Staffing and Qualifications

7.6.1 Indicate the name and position of the person who will manage the Section 125 services as specified in this RFQ. Provide a brief resume of this manager's background, training, and experience.

### 7.7 Conflict of Interest

7.7.1 Disclose any personal or business relationship your Firm has with the District or with any of the Board Members or officers of the District.

7.7.2 Describe any failure or refusal to complete a contract, including details and dates within the last five (5) years.

7.7.3 List any disciplinary or investigative action, including audits, in the past five (5) years conducted by any professional body or local, state or federal branch of government of your Firm.

7.7.4 Has the firm experienced a data breach or unauthorized release of customer information in the last five years? If so, provide details of actions taken and disclose whether or not the firm provided free credit protection to affected customers, and provide a copy of the correspondence sent to affected customers informing them of the data breach.

7.7.5 List any and all litigation, pending or final, to which your firm was or is a party that involves related or similar services being solicited in the past five (5) years.

### 7.8 References

7.8.1 Provide a list of four client references for whom the Firm has provided Section 125 services, including flexible spending accounts and not insurance products only, in the past two (2) years. Include the name of the client, address, telephone, and name of each client's manager. Preference will be given to references by a California public agency or college district client.

### 7.9 Cost of Services

7.9.1 In accordance with requirements of the California State Accounting Manual (SAM), the Firm will invoice the District for its agreed-upon fee.

7.9.2 Only those fees specified by the Firm in this section will be paid by the District.

7.9.2.1 Describe service provided and the annual fee as a fixed dollar amount or annual dollar amount per account that will be charged to the District. Also provide an estimate of the number of accounts for which the charge will apply. If there is no charge to the District, you must state, "None".





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7.10 Additional Information

- 7.10.1 How will the firm maintain the confidentiality of records?
- 7.10.2 Is your firm licensed to do this type of business in the State of California?
- 7.10.3 Please provide samples of brochures or information you will be using in the enrollment process. Please provide a copy of your benefit election form to be submitted by employees for benefit enrollment.
- 7.10.4 Please describe the features of your flexible spending accounts. Do you offer debit cards? Please disclose the fees and charges applicable to our employees, including any debit card fees.
- 7.10.5 Who are you proposing as your third party administrator?
- 7.10.6 Please provide your toll-free number and interactive website address for our employees. Do you offer online enrollment?
- 7.10.7 Explain how you will be compensated for your services.
- 7.10.8 How will you exchange data with the District? If you plan to use an interface, then please describe your experience interfacing with Ellucian/Datatel systems.
- 7.10.9 The preceding sections shall contain only the information requested. If the Firm desires to present additional information, such additional information shall be presented in this section of the RFQ. If there is no additional information present, indicate, "There is no additional information to present."

8. Evaluation and Award of RFQ Responses

8.1 Evaluation Criteria

Evaluation criteria will include but not be limited to the experience and reputation of the Firm in performing Section 125 services for community colleges, universities, college Districts, and/or other government entities in California, the experience of the manager who will be responsible for the Section 125 services, the professional staff available to perform the service, the reputation of the Firm, the cost to perform the service, the availability of the Firm to perform the work within a specified time period, and any other criteria the District feels is appropriate.

8.2 Award Process

The steps in the award process are as follows:

- 8.2.1 The District will release the Request for Qualifications (RFQ) on May 10, 2016.
- 8.2.2 Questions related to this RFQ shall be emailed to [Julia-Morrison@redwoods.edu](mailto:Julia-Morrison@redwoods.edu) by May 13, 2016. The District will respond to all questions by May 20, 2016.
- 8.2.3 Responses are due in to the District by 2:00 p.m. on June 17, 2016.
- 8.2.4 The District will screen the responses based on the evaluation criteria stated above, and may select finalist(s) for further interview.



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8.2.5 If any finalists are forwarded for approval, the Board of the Redwoods Community College District will approve the qualified list of firms to provide Section 125 Services at a future Board meeting.

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