

Brenham ISD

Request for Proposal

125 Cafeteria Plan Services

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General Information

General Conditions and Instructions to Proposers

1. Brenham Independent School District (**hereafter referred to as the *District***) is requesting proposals for Section 125 Administration. The company must be licensed as a Third Party Administrator in the State of Texas and maintain a good relationship with school districts in Texas.
2. Two copies of the Proposal must be submitted by 10:00 a.m. on **Wednesday, March 20th**. There will not be a formal opening. Proposals received will be evaluated to determine which company's services best fit the needs of the District. Sealed requests for proposal must be properly labeled on the outside of the envelope as follows:

Physical Address

Brenham Independent School District
Attn: Kim Weatherby
711 East Mansfield
Brenham, Texas 77833

Mail Service

Brenham Independent School District
Attn: Kim Weatherby
PO Box 1147
Brenham, Texas 77834-1147

Request for Proposals
Due: 10:00 a.m. March 20, 2019

3. Proposals must be clearly explained and identified. All costs, including optional programs, must be clearly stated and summarized. Exceptions to or deviations from the specifications must be explicitly identified.
4. Proposals are anticipated to provide a 12 month rate guarantee. However, the Board would like to accept a guarantee of more than 12 months if it is in the District's best interest.

5. Public Sector employers are not allowed, under current state law, to execute a document containing a Hold Harmless/Indemnification Clause causing the employer to be responsible for other parties' liability. Therefore, your documents should not contain any such clauses.
6. Since there are important considerations involved in selecting a Third Party Administrator in addition to rates, the District will not be required to accept the lowest bid. In addition to cost, professional competence, service, and coverage will serve as a basis for award of the contract.
7. Brenham Independent School District reserves the right to accept or reject all or any part of the proposals, waive minor technicalities, and award the proposal to best serve the interest of the District. The District also reserves the right to waive or dispense with any of the formalities contained herein.
8. Failure to comply with the requirements or the procedures set forth herein, or to satisfy the coverage and servicing criteria as set forth in the specifications, may result in disqualification. It is not intended that exceptions to the specifications will, in and of themselves, result in disqualification.
9. All materials necessary to effectively communicate and administer the program shall be prepared and printed by the proposer at the proposer's own expense. These materials include, but are not limited to, master plan document, summary plan descriptions, schedules of benefits, claim forms, identification cards, check stock, and explanations of benefits.
10. Enrollment meetings will be scheduled prior to the effective date of the contract. The proposer will be responsible for presenting the new plan and enrolling employees at the various campuses of the District. These meetings will take place in August.
11. All proposals should be net of commissions. If not, proposal must include the estimated amount of annual agent's commission included in the quoted rates and a description of the services to be provided by the agent.
12. Please complete the appropriate enclosed proposal forms which include a Questionnaire, Rate Pages, Felony Conviction Notice, and Declaration of Compliance. All proposal forms submitted must be signed by an authorized official of the carrier. **FAILURE TO COMPLETE PROPOSAL FORMS WILL RESULT IN PROPOSAL BEING DISQUALIFIED.**
13. The District accepts no financial responsibility for any costs incurred by any proposer in the course of responding to these specifications.

1. District's Responsibility:

- Provide for payroll deductions of employee contributions
- Advise the carrier of additions/deletions from the coverage
- Assist in the logistics of the enrollment process

2. Selected Carrier's Responsibility:

- Provide claim forms, claim instructions, employee booklets outlining the benefits and instructions on filing a claim, identification cards, enrollment and orientation materials, and other appropriate communication materials deemed necessary by the District.
- On-line registration platform

Proposer Questionnaire

General

1. State name, address, city, state, zip code, and telephone number of firm.
2. State type of company (corporation, partnership, etc.)
3. Provide background or history of firm including experience relating to the administration of employee benefit plans.
4. What types of organizations/entities do you cover?
5. Provide the names of five organizations or entities your company provides with Section 125 Administration. Include as many school districts as possible.
6. Please describe your errors and omissions insurance. Please give carrier and amount information.
7. Have any of the principals or the firm ever been named in a lawsuit dealing with the management of a Section 125 plan? If so, please provide details.
8. How many clients are currently served? Please provide the largest group, the smallest group and the number of employees covered.
9. What is your average processing time between receipt of contributions and disbursement to vendors?
10. List staff experience for employees handling our account.
11. Do you provide online enrollment? Please list all costs.
12. Do you provide a debit card for medical reimbursement flexible spending accounts and HSA accounts? Please list all of the costs.

13. Please describe your administration services for flexible spending accounts. Do you upfront money to the annual election for medical reimbursement claims?
14. Where is the location of your claims department?
15. How often are claims reimbursed?
16. What is your average turnaround time of an “approved” claim?
17. Are reimbursements sent directly to participants?

Scope of Services for 125 Cafeteria Plan

1. Provide Section 125 Cafeteria Plan Services on either a fee only basis, or on the basis of revenue generated from product vendors, selected by the District. These revenues may be earned as compensation resulting from providing communication, education, enrollment and service functions to the employees of Brenham_Independent School District and the District itself. A company offering to provide services on a fee only basis shall not sell any products of any kind (e.g., life insurance, annuities, mutual funds, disability insurance, cancer insurance, etc.) in Brenham Independent School District under any circumstances, including through an affiliated company, subsidiary or parent organization.
2. Fees should be quoted as to the cost of the services outlined within this RFP only. Additional services not requested as part of this RFP should not be included and shall not be considered.
3. Assist the Brenham Independent School District staff and its legal counsel in the design and / or maintenance of the Cafeteria Plan.
4. Assist Brenham ISD and its legal counsel with information and support to meet legal requirements of IRC Section 125.
5. Provide educational material to Brenham Independent School District and its employees on the concept of Cafeteria Plans, specifically to include flexible spending accounts.
6. Provide and communicate a process for employees to obtain Plan forms information.
7. Provide up-to-date information upon request of employees.

8. Pay Flexible Spending Account Claims for the reimbursement of eligible expense claims via an automated method at least two times per month. This should include payment using direct deposit of claim reimbursement to employees' bank accounts. Other automated methods of claim reimbursement may be considered. Should a proposing company offer to provide these services utilizing a direct-debit card, the respondent should include its position with regard to expense documentation, claim audits and repayments, considering IRS regulations on documentation of qualified expenses.
9. Maintain copies of all FSA Reimbursement Requests and supporting documentation for a period of seven (7) years after the claims are processed.
10. Assist the District, when requested, in preparing applicable required IRS Forms.
11. Educate, enroll and service new employees and support existing plan participants and other employees as directed by the ISD.
12. Maintain and provide the ISD with written monthly and year end reports summarizing the previous period's FSA and account activities, including funds dispersal, with sufficient detail to provide for the audit and control of funds used.
13. Assist District Administration with resolution of employee problems as they arise.
14. Provide Brenham Independent School District with easily accessible customer service representatives. A toll free number must be available to plan participants and to District personnel for information.
15. Consult with the Brenham Independent School District, its legal counsel and or advisors on Plan operation and assist as needed.
16. Assist Administration in determining that District policy is adhered to in product distribution.
17. Provide the District and employees with all needed forms and documents relating to the 125 Cafeteria Plan.
18. Provide a consolidated billing (common remitter) service to include reporting identifying all participating employees and their current period /monthly contribution amounts as well as cumulative, year-to-date total. This report should both aggregate deduction and reduction totals by employee, and segregate the totals by product or election type.
19. Assist the District to implement a procedure to monitor employee election changes for appropriateness, as provided by the plan.

20. Assist the Brenham Independent School District in maintaining compliance with all applicable state and federal statutes and regulations.
21. Provide contract wording indemnifying the District against liability for any federal or state compliance violations that occur directly as a result of any administrative services, advice, actions, agreements or other activity provided under Section IV of this agreement.

Section
3

Declaration of Compliance

Primary business: _____

Type of company:
(corp., partnership, etc.): _____

Year started in business: _____

Number of years administering
Employee Benefits in Texas: _____

Proposers must include in the proposal a notice as to whether the person submitting the bid or an owner or operator of the business entity has been convicted of a felony and the description of the conduct resulting in the conviction. The contract may be terminated if it is determined that the person or business entity failed to give notice or misrepresented the conduct resulting in the conviction.

The proposer, in compliance with the invitation for proposal on employee benefit coverage, having examined the specifications and being familiar with all conditions in the specifications, hereby proposes to provide the services in accordance with the proposal documents on the attached response sheets.

The undersigned affirms that they are duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared this proposal in collusion with any other Proposer, and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

Having reviewed the specifications, we have complied with all requirements and conditions except as noted on the attachment labeled *Deviations*.

Company Name

Authorized Signature

Address

Type Signatory's Name & Title

City, State, Zip Code

Telephone Number

Agent's Name

Date

Felony Conviction Notice

State of Texas Legislative Senate Bill No. 1, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony."

Subsection (b) states "a school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract."

THIS NOTICE IS NOT REQUIRED OF A PUBLICLY-HELD CORPORATION

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

VENDOR'S NAME: _____

AUTHORIZED COMPANY OFFICIAL'S NAME (PRINTED): _____

A. My firm is a publicly-held corporation, therefore, this reporting requirement is not applicable.

Signature of Company Official: _____

B. My firm is neither owned nor operated by anyone who has been convicted of a felony:

Signature of Company Official: _____

C. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon(s): _____

Detail of Conviction(s): _____

Signature of Company Official: _____

Prices and Fees

1. How are your fees established?
2. Are fees due and payable on the first of the month, quarterly, annually or a combination of these?
3. Is a fee structure available that incorporates various levels of participation?
4. Are you paid any commissions from the vendors?