



"Cedar Rapids is a vibrant urban hometown – a beacon for people and businesses that are invested in building a greater community now and for the next generation."

REQUEST FOR PROPOSAL

For
Flexible Spending Accounts
RFP #0617-257

TABLE OF CONTENTS

Section Number	Section Name	Page
1.0	Notice of Request for Proposals (RFP)	3
2.0	Instructions to Proposers	4
3.0	Special Terms and Conditions	6
4.0	Scope of Services	9
5.0	Proposal Evaluation and Award	10
6.0	Submittal Instructions	12

Attachment	Attachment Name
A	Standard Terms and Conditions (Section 3 of this document)
B	Sample Business Associate Agreement
C	Buy Local Packet
D	Signature Page
E	Insurance Requirements
F	Questionnaire

SECTION 1.0 – NOTICE OF REQUEST FOR PROPOSAL (RFP)

1.1 Notice of Request for Proposal

Notice is hereby given that proposals will be received before 12:00 pm CDT on July 12, 2017 via Holmes Murphy and Associates for Flexible Spending Accounts for the City of Cedar Rapids.

1.2 RFP Timeline

Name of the Proposal	Flexible Spending Accounts, RFP #0617-257
Date Effective	January 1, 2018
Pre-Proposal Meeting	None
Deadline for Questions	Wednesday, June 28, 2017, before 12:00 pm CDT
Deadline for Proposal Submittal	Wednesday, July 12, 2017 before 12:00 pm CDT Proposals time stamped 12:01 pm or after are late
Recommendation for Award	August, 2017

Submit Proposal to: →→→→→→→→

Roshaun Gnewuch
Account Manager, Holmes Murphy
rgnewuch@holmesmurphy.com
Fax: 877-412-3525

Method of Submittal Return all necessary forms via secure email or fax as listed above

Contact Person Roshaun Gnewuch
E-mail Address rgnewuch@holmesmurphy.com

Phone Number Phone: 319-896-7718

1.3 The City is not responsible for delays occasioned by internet difficulties. Similarly, the City is not responsible for, and will not open, any proposal responses that are received on or after the time stated above. Late submittals will be retained in the RFP file, unopened. No responsibility will be attached to any person for premature opening of a proposal not properly identified.

1.4 Proposals will be publicly opened on Wednesday, July 12 at 12:00 pm CDT (our clock). Only the names of companies who submitted proposals will be revealed. The main purpose of this opening is to reveal the name(s) of the Proposer(s), not to serve as a forum for determining the awarded proposal(s).

1.5 Proposals will be evaluated promptly after opening. After an award is made, a proposal summary will be sent to all companies who submitted a proposal. Proposal results will not be given over the telephone or prior to award. Proposals may be withdrawn any time prior to the scheduled closing time for receipt of proposals; no proposal may be modified or withdrawn for a period of sixty (60) calendar days thereafter.

----- End of Section 1.0 -----

SECTION 2.0 – INSTRUCTIONS TO PROPOSERS

2.1 FEDERAL FUNDING PROVISIONS

This Project is not federally funded.

2.2 NOTICE: INSURANCE IS REQUIRED FOR THIS PROJECT

SERVICES SHALL NOT BEGIN UNTIL THE CERTIFICATE OF INSURANCE AND ALL ENDORSEMENTS ARE RECEIVED AND APPROVED BY THE CITY.

At all times during the term of the Services and the Contract, and any extensions thereof, the Carrier shall purchase, at its own expense, and maintain with insurance companies in good standing and acceptable to the City. Such insurance will protect the Carrier from liability and claims for injuries and damages which may arise out of or result from the Carrier's operations under the Contract and for which the Carrier may be liable, whether such operations are by the Carrier or by a SubCarrier or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable.

For the protection of the Carrier and the City, but without restricting or waiving any obligations of the Carrier herein contained, the Carrier shall insure the risks associated with the Services and the Contract with minimum coverages and limits as set forth in Attachment E, INSURANCE REQUIREMENTS.

2.3 Whenever used in this RFP the following terms shall have the meaning given as follows: City shall mean the City of Cedar Rapids, Iowa. Carrier shall mean the firm providing Flexible Spending Account Services. SubCarrier shall mean any person, firm, or corporation who contracts with the Carrier to perform a service for which the basis of payment or Scope of Services is identified as a part of this RFP. Project Manager shall mean Bonnie Pisarik, City of Cedar Rapids Benefits Program Manager, who is the designated coordinator and administrator for the Services under this project.

2.4 A company representative who is authorized to bind the Company will sign on behalf of the company to indicate to the City that you have read, understand and will comply with the instructions and all terms and conditions stated in this Request for Proposal and all attachments.

2.5 Pre-Proposal Meeting

There is no Pre-proposal meeting for this Project.

2.6 This Request for Proposal does not commit the City to make an award, nor will the City pay any costs incurred in the preparation and submission of proposals, or costs incurred in making necessary studies for the preparation of proposals.

2.7 Addenda

Any matter of this proposal package that requires explanation or interpretation must be inquired into by the Proposer in writing by Wednesday, June 28 2017 at 12:00 pm, CDT. E-MAIL all questions to Roshawn Gnewuch (rgnewuch@holmesmurphy.com), or Anna Evans (aevans@holmesmurphy.com).

2.8 Exceptions to Documents

The Proposer shall clearly state in the submitted proposal any exceptions to, or deviations from, the minimum proposal requirements, and any exceptions to the terms and conditions of this RFP. Such exceptions or deviations will be considered in evaluating the proposals. Proposers are cautioned that exceptions taken to this RFP may cause their proposal to be rejected.

2.9 Silence of Specifications

Commercially accepted practices shall apply to any detail not covered in the specification and to any omission of the specification. Any omission or question of interpretation of the specification that affects the performance or integrity of the service being offered shall be addressed in writing and submitted with the Proposal.

2.10 Incomplete Information

Failure to complete or provide any of the information requested in this Request for Proposal, including references, and/or additional information as indicated, may result in disqualification by reason of "non-responsiveness".

2.11 No responsibility will be attached to any person for premature opening of a proposal not properly identified.

- 2.12 In the event of conflict, the Special Terms and Conditions shall take precedence over the Standard Terms and Conditions, included herein.

Be advised that any conversations (in reference to this RFP) between proposers and any City employee, City official or City Project Manager, during the entire competitive proposal process is strictly prohibited. Such actions will result in removal of the Carrier from the vendors list and rejection of the Carrier's proposal. **The ONLY official position of the City is that position which is stated in writing and issued by Holmes Murphy & Associates.** No other means of communication, whether written or oral, shall be construed as a formal or official response statement.

----- End of Section 2.0 -----

SECTION 3.0 – SPECIAL TERMS AND CONDITIONS

3.1 Term of Contract

- 3.1.1 The initial term of the Agreement shall be for three (3) years anticipated to be January 1, 2018 through December 31, 2020.
- 3.1.2 The City and the Carrier may renew the original contract for three (3) additional one-year time periods by mutual agreement. A minimum of thirty (30) days' notice must be given to renew the contract for additional increments.
- 3.1.3 A Contract, prepared by the City and signed by the City Manager, shall become the document that authorizes the Services to begin, assuming the insurance requirements have been met. Each section contained herein, the attachments, and any addenda and the response from the successful Proposer shall also be incorporated by reference into the resulting agreement.
- 3.1.4 The City reserves the right to make changes to the Services to be provided which are within the Project. No assignment, alteration, change, or modification of the terms of the Contract shall be valid unless made in writing and agreed to by both the City and the Carrier. The Carrier shall not commence any additional services or change the Scope of Services until authorized in writing by the City. Carrier shall make no claim for additional compensation in the absence of a prior written approval and amendment of the Contract executed by both the Carrier and the City. The Contract may only be amended, supplemented or modified by a written document executed by the Carrier and the City Manager.
- 3.1.5 In accordance with the provisions and conditions of the Contract, Carrier shall freely enter into the Contract for the purpose of providing Services to the City and to be compensated for the Services.
- 3.1.6 No price escalation will be allowed during the initial term of the contract. If it is mutually decided to renew beyond the initial period and the Carrier requests a price increase, the Carrier shall provide sufficient written certification and documentation to substantiate the request. Documentation shall include, but not be limited to; actual materials invoices, copies of commercial price lists, provision of appropriate indices, which reflect said increases. The City reserves the right to accept or reject price increases, to negotiate more favorable terms or to terminate without cost, the future performance of the contract.

3.2 Contract Forms

- 3.2.1 If a Proposer intends to request that the City of Cedar Rapids enter into any agreement form in connection with the award of this project, the form must be submitted with the Proposal for review by the City's legal counsel during the evaluation of Proposals. If such agreement requires that payments be remitted to other than the Proposer, the Proposer shall indicate the name and address of the firm to whom Proposer would request payments to be made, and the firm's relationship to the Proposer.
- 3.2.2 Proposers are advised that in the event any such agreement contradicts the City of Cedar Rapids requirements, the proposal may be rejected due to the contradiction unless Proposer indicated deletion of such clauses. If agreement form indicated a firm other than the Proposer is Carrier, or payee, the proposed Carrier or payee must also indicate concurrence with the deletion of such clauses.
- 3.2.3 If no agreement form is included with the proposal, no such form will be approved by the City during the evaluation or award processes, or following award of contract. If the proposal does not indicate the proposed Carrier, vendor or payee to be a person or company other than the Proposer, (1) only the

Proposer will be considered as Carrier and (2) payments will be made only to the Proposer to whom the contract is awarded.

3.2.4 The City of City Rapids will in no case agree to terms not submitted for review with the proposal submittal.

3.3 Payment Terms and Invoice Submittal

3.3.1 Payment terms for Services authorized under the contract shall be net forty-five (45) days upon receipt of an acceptable original invoice and after Services are provided, inspected and accepted and all required documentation and reports are received in a format acceptable to the City.

3.3.2 Invoices shall include the following information:

- Carrier name and address
- Date of Services
- Description of Services
- The total amount being invoiced
- Contract No. PUR0617-257

3.3.3 Surcharges (i.e. fuel surcharges, restocking) shall NOT be allowed to be added to invoices as an additional line item.

3.3.4 All invoices and supporting documentation shall be submitted at the intervals as agreed upon:

- a) In a pdf format via e-mail to: accountspayable@cedar-rapids.org
or
- b) Via US mail to: City of Cedar Rapids, Finance Department – Accounts Payable,
101 First Street SE, PO Box 2148, Cedar Rapids, IA 52406-2148.

3.3.5 The City may withhold payment for reasons including, but not limited to the following:

- a) Services that are defective, inaccurate, flawed, unsuitable, nonconforming or incomplete due to negligence of the Carrier;
- b) Damage for which Carrier is liable under the Contract;
- c) Valid liens or claims of lien;
- d) Valid claims of SubCarriers or other persons;
- e) Delay in the progress or completion of the Services;
- f) Inability of Carrier to complete the Services;
- g) Failure of Carrier to properly complete or document any pay request or invoice;
- h) Any other failure of Carrier to perform any of its obligations under the Contract; or
- i) The cost to City, including attorneys' fees and administrative costs, of correcting any of the aforesaid matters or exercising any one or more of City's remedies set forth in the Contract.

3.3.6 Actual travel time to and from the work location is not reimbursable under the Contract.

3.4 Treatment of Documents and Records

3.4.1 Ownership

All Documents and other materials prepared by the Carrier in connection with this project are the City's sole property in which the Carrier has no proprietary or other rights or interests. All reports, documents, information, and any materials or equipment furnished to the Carrier by the City shall remain the sole property of the City. Nothing written in this paragraph, however, will be interpreted to forbid the Carrier from retaining a single copy of information for its files.

3.4.2 Confidentiality

Any individual subcontracted or employed by the Carrier with authorized access to personnel information documents, if any, is given access to use any personnel information in the documents solely for the purpose of performing the Services of the Contract and must not divulge this information to anyone without a need to know. Confidentiality of personnel information contained in the documents shall survive the completion or termination of the Contract subject to applicable state statutes.

3.4.3 Disposal

If at any time during the performance of the Contract or following completion or termination of the Contract, Carrier (and/or its SubCarriers) choose to dispose of Documents, disposal of Documents shall:

- a) comply with any retention requirements of the agreement, and
- b) be in a manner such that documents or information in the Documents is unable to be read, interpreted, reproduced, copied or duplicated in any fashion.

3.4.4 Access/Retention

During the term of the Contract or following completion or termination of the Contract the Carrier and its SubCarriers, if any, shall maintain all accounting records and other documentation generated in performing the Services under the Contract.

The City or any duly authorized representative of the City shall have access to all such information for the purpose of inspection, audit and copying during normal business hours. All such information shall be retained for five (5) years from the date of final payment and after all other pending matters under the Contract are closed.

This access shall be made available to the City or duly authorized agent and shall be considered incidental to the Scope of Services contained herein. As such, there shall be no additional compensation allowed the Carrier for maintaining this information and allowing the herein described access.

3.5 If Project is funded in any way utilizing Federal Funds the Carrier acknowledges that it may be required to submit to an audit of funds paid through the Contract and as may be conducted in accordance with provisions of the Office of Management and Budget Circular A-133 (Audit of States, Local Government and Non-Profit Organizations).

3.6 Expenditure of Service

The City does not guarantee any minimum or maximum hours of work for the Carrier. There is no guaranteed minimum amount of services that will be required throughout the contract period.

----- End of Section 3.0 -----

SECTION 4.0 – SCOPE OF SERVICES

4.1 Background - The City of Cedar Rapids is seeking Proposals from qualified carriers of Flexible Spending Accounts
Our goal is to select an experienced carrier with a high level of customer service, flexibility, and sophisticated systems.

- The City of Cedar Rapids is governed by a City Manager reporting to an elected City Council.
- The City has approximately 1,200 active employees.

4.2 Scope of Services

The City of Cedar Rapids’ goal is to provide secure, reliable, and efficient flexible spending account benefits to its employees, benefits shall include:

- Please see questionnaire in Attachment F for desired/preferred services

----- End of Section 4.0 -----

SECTION 5.0 – PROPOSAL EVALUATION AND AWARD

5.1 Award

Any award(s) made by the City of Cedar Rapids is subject to prior approval by the City of Cedar Rapids City Council.

5.1.1 Award shall be made to the responsible Proposer submitting the most responsive proposal which offers the greatest value to the City with regard to the criteria detailed and the specifications set forth herein. The City reserves the right to accept or reject any or all proposals; to resolicit the project; to use both primary and secondary Carriers; to award proposals by groups; and to waive technicalities and formalities where it is deemed advisable in protection of the best interests of the City.

- 5.1.2 If the evaluation team determines that the project should be awarded, the process shall be as follows:
- a) The evaluation team shall determine which Proposer has submitted the most responsive and responsible proposal.
 - b) For projects equal to or greater than \$50,000, the City Council shall consider a resolution awarding the Contract and authorizing the City Manager to sign the Contract on behalf of the City. **Note**, as provided for by Section 4.03 of the Cedar Rapids Municipal Code, no Contract shall be deemed to be created and exist, unless and until the City Council adopts a resolution awarding the project and authorizing the City Manager to sign the Contract.
 - c) Carrier signs the Contract.
 - d) The City Manager and the City Clerk execute the Contract.
 - e) The City issues a purchase order to the Carrier. The purchase order shall constitute authorization for the Carrier to commence the Services.
- 5.1.3 If the evaluation team determines that all the proposals received shall be rejected, the Proposers will be notified by the Purchasing Services Division accordingly. At that point, the City may, or may not, re-solicit the project.

5.2 Proposal Evaluation Criteria

Financial terms will not be the sole determining factor in the award. In general, the proposals will be evaluated based on, but not limited to, the general evaluation criteria stated below and the completeness, clarity and content of the proposal.

5.2.1 Qualifications and Experience - 40 percent

- a) Relevant experience of key personnel, including assigned Account Manager
- b) Feedback from references
- c) Knowledge, experience and demonstrated success with providing similar services to similarly sized governmental entities
- e) Provision of performance guarantees and performance outcomes demonstrated with other clients
- f) Financial responsibility/stability
- g) Ability to provide services as outlined in this request

5.2.2 Financial Proposal - 30 percent

5.2.3 Company Responsiveness to RFP - 30 percent

- a) Total scope of services proposed
- b) Demonstrated understanding of the project
- c) Proposed timeline and work plan
- d) Responses to overall proposal and compliance with submission guidelines
- e) Proposal presentation (completeness, organization, appearance, etc.)

5.3 The Company must not have any unresolved performance issues with the City of Cedar Rapids. The Company's performance as a prime Carrier in previous City contracts shall be taken into account when evaluating the Company's submittal for this Request for Proposal.

5.4 The City may check the references provided and survey other local agencies during the proposal evaluation period to ensure the Company does not have any unresolved or unsatisfactory performance issues. The City reserves the right to reject the Company's submittal based on its assessment of the Company's prior performance.

5.5 Proposal Evaluation Procedures

Proposals will be evaluated by a proposal evaluation team (hereinafter referred to as Team) using the following procedure. Each evaluator will rank each proposal on a scale of 1 to 10 for each of the criteria stated in Section 5.2. Evaluator scores will be averaged and the weighting percentage will be applied.

- 5.5.1 Team members will read each proposal and will evaluate based on their experience and judgment of how well the proposal addresses the City's requirements. Each prospective company is assured that any proposal submitted will be evaluated using the best available information and without any forgone conclusions.
- 5.5.2 The team members will convene to discuss the proposals. At this point, some firms may be eliminated from further consideration based on their overall response to the RFP.
- 5.5.3 Consideration will also be given to written clarification provided during the evaluation process and input from staff or other persons judged to have useful expertise that should be considered in a responsible, fair assessment of the relative merits of a proposal. References, as deemed appropriate, may be checked at any time during the process.
- 5.5.4 The team may arrange interviews, demonstrations and/or presentations with representatives of the top firms.
- 5.5.5 The team meets again for further discussion and then scores the top proposals based on the criteria stated in section 5.2.
- 5.5.6 At the discretion of the evaluation team, the top proposer(s) may be invited to submit a "best and final offer" to negotiate cost or deliverables.
- 5.5.7 The City would then enter into contract negotiations with the top Proposer.
- 5.6 A Proposer's submission of a proposal constitutes its acceptance of this evaluation technique and its recognition and acceptance that subjective judgments will be used by the evaluators in the evaluation.
- 5.7 Buy Local Program

The Cedar Rapids City Council has passed a resolution adopting a Buy Local Program for the procurement of goods and/or Services by competitive bid or proposal. Preference shall be applied to acceptable proposals from businesses located within Linn County who have submitted a notarized Local Business Certificate. See Attachment C for details. If your company is already registered, or if this does not apply to your business, do not complete the form.

----- End of Section 5.0 -----

SECTION 6.0 – SUBMITTAL INSTRUCTIONS

- 6.1 Proposal
 - 6.1.1 In order to facilitate the analysis of responses to this RFP, Carriers are required to prepare their proposals in accordance with the instructions as listed below. Carriers whose proposals deviate from these instructions may be considered non-responsive and may be disqualified at the discretion of the City of Cedar Rapids.
 - 6.1.2 Proposals shall be prepared as simply as possible and provide a straightforward, concise description of the Carrier's capabilities to satisfy the requirements of the RFP. Expensive bindings, color displays, promotional materials, etc., are not necessary or desired. Emphasis shall be concentrated on accuracy, completeness, and clarity of content.
 - a) Each of the nine (9) sections listed below shall be labeled.
 - b) Each page shall be numbered on the bottom right hand corner.
 - c) The proposal shall be organized as follows:

Section	Title
1.0	Cover Letter and Executive Summary
2.0	Company Background and Experience
3.0	Response to Scope of services
4.0	Response to Questionnaire
5.0	Response to Financial Worksheet
6.0	Draft Sample Documents
7.0	Performance or Outcome Guarantees

8.0	References
9.0	City of Cedar Rapids Forms

- 6.1.3 Tab 1.0 - The Carrier shall provide a Cover Letter on corporate letterhead, signed by an authorized representative of the company and an Executive Summary which will be limited to a brief narrative highlighting the Carrier’s proposal. The Executive Summary should not include cost quotations.
- 6.1.4 Tab 2.0 - Carriers shall provide information about their company and the individuals assigned to provide the Services so the City of Cedar Rapids can evaluate the Carrier’s stability and ability to support the commitments set forth in the RFP. The City of Cedar Rapids, at its option, may require a Carrier to provide additional documentation and/or clarify requested information.
 - a) Brief description of the company including company size and organization, past history, present status, future plans, qualifications and previous experience on similar or related projects, etc.
 - b) Provide the name of the principal or account manager in your firm, including his/her office location and contact information, who will have direct and continued responsibility for the services provided to the City. This person will serve as the firm’s first point-of-contact on all matters dealing with services and the handling of day-to-day activities through the duration of the project.
 - c) Identify other individuals who will be assigned to this project by name, job classification, office location and contact information.
 - d) Describe the professional experience of each individual proposed to be assigned to this project, including the account manager, and provide a detailed listing of the projects they have worked on for other clients.
- 6.1.5 Tab 3.0 - Carriers shall provide a detailed description of its Flexible Spending Account services. Carriers may also discuss any ideas, innovative approaches or specific new concepts that have been used successfully on other engagements which may provide the City with better service delivery.
- 6.1.6 Tab 4.0 - Carriers shall provide their response to the Questionnaire, including an outline for project management and task implementation. The work plan must detail the firm’s services to be performed and a schedule that the firm proposes for each of the three years of the contract.
- 6.1.7 Tab 6.0 - Provide draft sample documents (including but not limited to the following):
 - a) Individual reports
 - b) Group reports and analysis
 - c) Employee communications
 - d) Service Agreement
 - e) Contributions and Reimbursement Reports
 - 1) Detail of contributions and reimbursements for both health and dependent care accounts
 - 2) Aggregate summary report of contributions and reimbursements
- 6.1.8 Tab 7.0 - Carriers shall provide detail on any performance or outcome guarantees.
- 6.1.9 Tab 8.0 - Carriers shall provide references of three current and one former client, who are similar to the City of Cedar Rapids. Include company name, address, and contact name, title, phone number. Identify the number of lives served for each, type of services provided and the length of the contract.
- 6.1.10 Tab 9.0 – City of Cedar Rapids Forms
 - a) Buy Local Packet (Attachment C, form only, if applicable)
 - b) Signature Page Form (Attachment D)
 - c) Insurance Certification Form (Attachment E)
- 6.1.11 All offers and other work products submitted in response to this RFP shall become the property of the City of Cedar Rapids.

----- End of Section 6.0 -----