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**Denotes document that must be completed & returned with proposal submission*

I. PURPOSE

The purpose of this Request for Proposal (RFP) is to solicit proposals from qualified firms to administer Flexible Spending Accounts for eligible employees of the City of Harrisonburg, per Internal Revenue Services (IRS) Section 125.

A Request for Proposal (RFP) is being issued in lieu of an Invitation to Bid (ITB) due to the specialized nature of the Scope of Work for this project.

II. SCOPE OF SERVICES

A. ADMINISTRATION OF FLEXIBLE SPENDING ACCOUNT SERVICES

The Offeror shall provide administrative services to all employees of the City of Harrisonburg who choose to enroll in the flexible spending accounts after the open enrollment period each year. The City has approximately 595 employees who may be eligible to participate in flexible spending accounts.

Current City Flex Spending participation is:

- Medical Only – 199
- Dependent Care Only – 3
- Both Medical and Dependent – 14
- Total Participating in Dependent – 17
- Total Participating in Medical – 213

Participant salary reductions for the flexible spending accounts will be made bi-weekly from the employees' paychecks for City employees.

The services of a third-party administrator are required to:

1. Educate employees as to the benefits of the plan and their respective responsibilities.
2. Enroll employees in the plan.
3. Account for deposits and disbursements from each employee's account.
4. Prepare monthly deposit and claims reports for the City's Department of Finance and for each participant.
5. Respond to employee inquiries.
6. Report forfeitures under the plan to reduce administrative expenses.

7. Perform all periodic government reporting, filing and amendments as required by law.
8. Perform all discrimination tests, reporting, filing and amendments as required by law.
9. Obtain legal assistance as necessary.

Contractor shall have a minimum of three (3) years' experience in providing services of similar nature.

B. REFERENCES

Offerors shall complete and return *Attachment G. Reference List* with their proposal submission. Offerors shall utilize this form to provide references of at least three (3) government accounts that your company presently administers and the names of at least one (1) government account that has terminated your company's services within the last two (2) years. Accounts are preferred to be government accounts of a similar size and nature.

C. OPEN ENROLLMENT SPECIFICATIONS

An annual Open Enrollment period is held in the spring of each year. It allows new enrollments, the addition of eligible family members and changes to benefits of eligible employees who are already enrolled. All Offerors must provide pricing on the basis that there will continue to be an annual Open Enrollment period and additional qualifying events for enrolling outside of Open Enrollment as by Internal Revenue Service (IRS) law. Currently, eligible participants have thirty (30) days during the Open Enrollment period and sixty (60) days following a qualifying event from which to elect or change coverage.

D. OPEN ENROLLMENT & COMMUNICATION SERVICES

The successful Offeror is expected to:

1. Participate in various events related to Open Enrollment, wellness and other activities/meetings centered upon educating flexible spending account participants and Human Resources personnel regarding this benefit.
2. Assist the City and its consultant in preparing enrollment and plan documents for use in employee communications guides or letters.
3. Assist the City and its consultant in drafting communication materials and plan comparison information for employees and dependents. Communication materials will be reviewed and approved by the City prior to distribution to employees.

4. Provide electronically formatted participant communications to be used in the City's newsletters and flyers.

E. PROGRAM EVALUATION, REPORTS & DATA SERVICES

The successful Offeror is expected to:

1. Upon the City's request, attend various employee meetings relating to flexible spending plan benefits.
2. Provide statistical plan reports including utilization data, enrollee reports and other reports as needed and requested by the City or its consultant.
3. Maintain full and accurate records with respect to all matters and services provided to the City.
4. Maintain compliance with all applicable Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rules as a covered entity. Individuals, organizations, and agencies that meet the definition of a covered entity under HIPAA must comply with the Rules' requirements to protect the privacy and security of health information and must provide individuals with certain rights with respect to their health information.
5. Inform the City staff and their consultant of any pending legislation affecting the administration of the flexible spending plans. If relevant legislation is enacted, provide the City and its consultant with a cost analysis and implementation plan to ensure that the flexible spending plan and the City comply with the new requirements.

F. QUESTIONNAIRE

Offerors shall complete and return *Attachment C. Questionnaire* with their proposal submission

III. PROPOSAL REQUIREMENTS

The proposal shall provide information necessary for City of Harrisonburg to evaluate the qualifications, experience, and expertise of the proposing firm to provide administration of flexible spending accounts.

The Offeror is to make a written proposal which presents an understanding of the work to be performed. The proposal should demonstrate and provide evidence that the Offeror has the capabilities, professional expertise, and experience to provide the necessary services as described in this RFP. The Offeror shall ensure that all information required herein is submitted with the proposal. All information provided should be verifiable by documentation

requested by the City of Harrisonburg. Failure to provide all information, inaccuracy or misstatement may be sufficient cause for rejection of the proposal or rescission of an award. Proposals shall be signed by an authorized representative of the Offeror.

The Offeror is asked to address each evaluation criteria contained in *Section IX. Proposal Evaluation Criteria* and to be specific in presenting their qualifications. Responses should be as thorough and detailed as possible so that the City may properly evaluate the firm's capabilities to provide the required services.

The Offeror should include in their proposal the following:

A. Cover Sheet – A completed Proposal Cover Sheet which is the first page of this RFP.

B. Table of contents – All pages are to be numbered.

C. Introduction – Cover Letter/Executive Summary on company letterhead signed by a person with the corporate authority to enter into any contract which results from the RFP.

D. Proposal – Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume. The Proposal submitted by Offeror shall include at a minimum, the following:

1. Approach – This should include demonstrated understanding of the project and how the firm will perform the scope of services, as well as clearly outline the project approach. Your proposal should provide a description of who will perform the various tasks associated with pay and chase, etc. This section should also include:

a. The standard method, where the reimbursement requests are sent to you and you issue a check or ACH deposit to the employee for the reimbursement.

b. The method, where the employees are issued a credit and/or debit card to be used to make payments.

2. Questionnaire – Offeror must complete and return *Attachment C* with proposal submission.

3. Cost – Offeror shall provide pricing structure in the current format that the City presently offers. Pricing structure shall detail the price per participant and other related charges, if any.

E. The Offeror may provide information for other services or programs that are available to its clients that may not be specified in this proposal. Additional services should be provided with cost listed as well as details and description of the offering.

F. The Offeror shall include signed copies of any and all addenda to the RFP.

G. In addition to *Attachment C*, the Offeror shall complete, and include with their proposal, the following attachments:

1. State Corporation Commission (SCC) Form (*Attachment D*)
2. Proprietary/Confidential Information Identification Form (*Attachment E*)
3. Insurance Requirements Form (*Attachment F*)
4. Reference List (*Attachment G*)

IV. GENERAL TERMS & CONDITIONS FOR THE CITY OF HARRISONBURG, VA (6-20-13)

PURCHASING AND CONTRACTING MANUAL: This solicitation is subject to the provisions of The Purchasing and Contracting Policy Manual for the City of Harrisonburg (City) and any revisions thereto, which are hereby incorporated into this contract in their entirety. A copy of the manual is available for review at www.Harrisonburgva.gov/bids-proposals.

APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.

ANTI-DISCRIMINATION: By submitting their (bids/proposals), (bidders/offerors) certify to the City 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 and 2.2-4311 of the *Virginia Public Procurement Act*.

In every contract over \$10,000 the provisions below apply:

1. During the performance of this contract, the contractor agrees as follows:
 - a. 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.

- b. 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.
- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

2. The City does not discriminate against small and minority businesses or faith based organizations.

ETHICS IN PUBLIC CONTRACTING: By submitting their (bids/proposals), (bidders/offerors) 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.

IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their (bids/proposals), (bidders/offerors) certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

DEBARMENT STATUS: By submitting their (bids/proposals), (bidders/offerors) certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

ANTITRUST: By entering into a contract, the contractor conveys, sells, assigns, and transfers to the City all rights, title and interest in and to all causes of 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 City under said contract.

MANDATORY USE OF CITY FORM AND TERMS AND CONDITIONS FOR IFBs AND RFPs

1. (For Invitation For Bids(ITB):) Failure to submit a bid on the form provided, (if provided) shall be a cause for rejection of the bid. Modification of or additions to any portion of the Invitation for Bids may be cause for rejection of the bid; however, the City reserves the right to decide, on a case by case basis, in its sole discretion, whether to

reject such a bid as nonresponsive. As a precondition to its acceptance, the City may, in its sole discretion, request that the bidder withdraw or modify nonresponsive portions of a bid which do not affect quality, quantity, price, or delivery. No modification of or addition to the provisions of the contract shall be effective unless reduced to writing and signed by the parties.

2. (For Request For Proposals(RFP):) Failure to submit a proposal on the form provided, (if provided) shall be a cause for rejection of the bid. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the City reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

REVISIONS TO THE OFFICIAL ITB/RFP: No offeror shall modify, revise, edit or make any unauthorized change(s) to the original Official Invitation to Bid (ITB) or Official Request for Proposal (RFP). The Official solicitation document and the Addenda(s) are the documents posted on the City of Harrisonburg's web site and/or authorized by the City of Harrisonburg's Purchasing Agent. Any such violation as stated above may result in rejection of the ITB/RFP response. In addition, violations may result in the debarment of the offeror by the City of Harrisonburg.

CLARIFICATION OF TERMS: If any prospective (bidder/offeror) has questions about the specifications or other solicitation documents, the prospective (bidder/offeror) should contact the person whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

PAYMENT:

1. To Prime Contractor:
 - a. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
 - b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
 - c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price.
 - d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

- e. Individual contractors shall provide their social security numbers, and proprietors , partnerships, and corporations shall provide the City with a federal employer identification number, prior to receiving any payment from the City.
- f. Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve the City of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia, 2.2.4363*).

2. To Subcontractors:

- a. A contractor awarded a contract under this solicitation is hereby obligated:
 - (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the City for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
 - (2) To notify the City and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.
- b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (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 City, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier 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 City.

PRECEDENCE OF TERMS: General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

QUALIFICATIONS OF (BIDDERS/OFFERORS): The City may make such reasonable investigations as deemed proper and necessary to determine the ability of the (bidder/offeror) to perform the services/furnish the goods and the (bidder/offeror) shall furnish to the City all such information and data for this purpose as may be requested. The City 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 City further reserves the right to reject any (bid/ proposal) if the evidence submitted by, or investigations of, such (bidder/offeror) fails to satisfy the City that such (bidder/offeror) is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

TESTING AND INSPECTION: The City reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the contractor in whole or in part without the written consent of the City.

CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

1. 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.
2. The Purchasing Agent or City delegated agent 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 City a credit for any savings.

DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the City, 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 any other remedies, which the City may have.

CANCELLATION OF THE CONTRACT: The City may terminate any agreement resulting from this solicitation at any time, for any reason or for no reason, upon thirty days advance written notice to the Contractor. In the event of such termination the Contractor shall be compensated for services and work performed prior to termination.

TAXES: Sales to the City of Harrisonburg are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request.

(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)

USE OF BRAND NAMES: Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict (bidders/offerors) to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the public body, 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/offeror) is responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the City 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 nonresponsive. Unless the (bidder/offeror) clearly indicates in its (bid/proposal) that the product offered is an “equal” product, such (bid/proposal) will be considered to offer the brand name product referenced in the solicitation.(**NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS**)

TRANSPORTATION AND PACKAGING: By submitting their (bids/proposals), all (bidders/offerors) certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.(**NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS**)

INSURANCE: By signing and submitting a bid or proposal under this solicitation, the bidder or offeror certifies that if awarded the contract, it will have insurance coverages per the solicitation document at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers’ compensation insurance in accordance with 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The bidder or offeror further certifies that the contractor and any subcontractors will maintain these insurance coverages during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. (**NOT NORMALLY REQUIRED FOR GOODS CONTRACTS. INSURANCE IS REQUIRED WHEN WORK IS TO BE PERFORMED ON CITY OWNED OR LEASED FACILITIES OR PROPERTY.**)

AVAILABILITY OF FUNDS: Agreements are made subject to the appropriation of funds by the Harrisonburg City Council and are null and void in the event of non-appropriation by the City Council. Non-appropriation of funds shall not be deemed a cancellation and shall terminate this agreement without recourse and with no liability on the part of the City.

SELECTION PROCESS/AWARD: Upon the award or the announcement of the decision to award a contract as a result of this solicitation, the department will publicly post such notice for a minimum of ten (10) days, or will notify all responsive bidders/offerors.

BID/PROPOSAL ACCEPTANCE PERIOD: Any bid/proposal resulting from this solicitation shall be valid for (30) days. At the end of the (30) days the bid/proposal may be withdrawn at the written request of the Bidder/Offeror. If the bid or proposal is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.

EXCUSABLE DELAY: The City shall not be in default of any failure in performance of this agreement in accordance with its terms if such failure arises out of causes beyond its reasonable control and without the fault of or negligence of the City. Such causes may include, but are not restricted to acts of God or the public enemy, fires, flood, epidemics, quarantine restrictions, strikes, freight embargoes, and usually severe weather, but in every case the failure to perform must be beyond the reasonable control and without the fault or negligence of the City.

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.

SAFETY and OSHA STANDARDS: All parties performing services for the City shall comply with all Occupational Safety and Health Administration (OSHA), State Occupational Health Standards, and any other applicable rules and regulations. All parties shall be held responsible for the training, supervision, and safety of their employees. Any unsafe acts or hazardous conditions that may cause injury or damage to any persons or property within and around the work site areas under this contract shall be remedied per the regulatory agency's guidelines.

PERMITS AND FEES: All proposals submitted shall have included in price the cost of any business or professional licenses, permits or fees required by the City of Harrisonburg or the Commonwealth of Virginia. The offeror must have all necessary licenses to perform the services in Virginia and, if practicing as a corporation, be authorized to do business in the Commonwealth of VA.

COOPERATIVE PROCUREMENT: This procurement is being conducted on behalf of other public bodies, in accordance with 2.2-4304 (A) of the Code of VA. The successful bidder has the option to provide these same items (services), except architectural and engineering services, at the same prices, awarded as a result of this solicitation to any public body within the Commonwealth of Virginia. If any other Public body decides to use the final contract, the contractor(s) must deal directly with that public body concerning the placement of orders, issuance of the purchase orders, contractual disputes, invoicing and payment. Failure to extend a contract to any public body will have no effect on consideration of your bid.

LIABILITY AND LITIGATION: The City shall not indemnify or hold harmless any Contractor or other third party. The City does not waive any right or release any party from liability, whether on its own behalf or on behalf of any boards, employees or agents. The City does not waive the right to trial by jury for any cause of action arising from the Contract and shall not submit any Contract claim to binding arbitration or mediation. The City shall not be liable to Contractor for any special, punitive or exemplary damages arising from the performance

of the contract, including, but not limited to, incidental damages, and lost profit and lost wages, even if such special damages are reasonably foreseeable. Any provision(s) in the Contract contrary to these statements is/are hereby deleted and rendered void.

STATE CORPORATION COMMISSION IDENTIFICATION NUMBER: Pursuant to Code of VA 2.2-4311.2 subsection B, a bidder or offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its bid or proposal the identification number issued to it by the State Corporation Commission (SCC). Any bidder or offeror 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 or as otherwise required by law is required to include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized. Link to the SCC site is <http://www.scc.virginia.gov>.

V. INSURANCE REQUIREMENTS

Offerors shall complete and return *Attachment F. Insurance Requirements Form* with their proposal.

VI. INSTRUCTIONS TO OFFERORS

All proposals must be in an opaque, sealed envelope or box and clearly marked: “**Sealed Proposal: Administration of Flexible Spending Accounts RFP 2015025-HR-P**”. Proposals shall clearly indicate the legal name, address and telephone number of the Offeror (company, firm, partnership, or individual). All expenses for making proposal to the City shall be borne by the Offeror.

Offerors shall provide one (1) original and three (3) identical paper copies of the proposal documents. Additionally, Offerors shall provide one (1) identical electronic copy (on CD or thumb drive) of the proposal documents. In addition, proposals with proprietary information must submit one (1) redacted copy clearly identified as “Redacted Copy.”

Proposal documents shall be mailed or hand-delivered to the **Purchasing Office located at 345 South Main Street, Room 201, Harrisonburg, VA 22801**. Office hours are Monday through Friday, 8:00am to 5:00pm. Faxed or emailed proposals will not be accepted. Proposals shall be received by the Purchasing Office no later than **Monday, February 23, 2015 at 3:00pm local time**. Any proposals received after this date and time will not be accepted. The City of Harrisonburg is not responsible for delays in the delivery of the mail by the U.S. Postal Service, private couriers, or the inter-office mail system. The Offeror has the sole responsibility to have the proposal received by the Harrisonburg Purchasing Office at the above address and by the above stated time and date.

All documents contained within the proposal submission shall be completed in their entirety and signed and dated where required. The City of Harrisonburg offices will be CLOSED on Monday, February 16, 2015 in observance of Presidents’ Day. Please take this into consideration when submitting your proposal.

*PLEASE NOTE: The City of Harrisonburg Municipal Building (345 South Main Street) is currently undergoing construction around the facility. Parking options tend to be congested throughout the day. It is recommended to park on the North side of the building in visitor parking (follow signs). Please take this into account when submitting your bid/proposal document and give yourself enough time to park and take your bid/proposal to the correct office for acceptance.

In the event of inclement weather and the City Manager authorizes the closing of City offices, all proposals will be due no later than the above-stated time on the following business day.

VII. QUESTIONS

Questions related to the RFP or requests for clarification may be directed to Ms. Pat Hilliard, Procurement Manager for the City of Harrisonburg, by email (Purchasing@harrisonburgva.gov) or by fax (540-432-7778). Oral questions will not be permitted. All responses to inquiries will be in writing and will be posted as addenda on the City's website at www.harrisonburgva.gov/bids-proposals and also on eVA at www.eva.virginia.gov. All questions must be received no later than **Tuesday, February 17, 2015 at 8:00am local time**. It is the responsibility of all Offerors to ensure that they have received all addenda and to include signed copies of any and all addenda with their proposal submission.

VIII. MODIFICATION & WITHDRAWAL OF PROPOSAL

An offeror may modify or withdraw his proposal, either personally or by written request, at any time prior to the scheduled time for opening of proposals. After proposal opening, Code of Virginia 2.2-4330 B. 1. shall apply: "The bidder shall give notice in writing of his claim of right to withdraw his bid within two business days after the conclusion of the bid opening procedure and shall submit original work papers with such notice."

IX. PROPOSAL EVALUATION CRITERIA

Selection of the successful proposal will be based upon submission of proposals meeting the selection criteria. Proposal evaluations will be based on a below/meets/exceeds scale, using the following minimum selection criteria:

1. Experience & Past Performance: Prior experience in providing similar services, including client references. This may also include the financial position of the insurance company, managed care organization or cooperative purchasing group.

2. Ability to Provide the Services: Specific information on the company's ability to deliver the required services. Background on the company, including the number of years in business and past major projects completed, should your company be awarded the contract. Successful Offeror shall have the ability to provide good administrative support and member services to the City and its covered employees and dependents. This also includes the specific plan or methodology to be used to perform the services.

3. Responsiveness: The Vendor's ability to deliver the required services on time and in accordance with the Scope of Work. This also includes compliance with applicable state and federal laws and regulations.

4. Cost: Costs will not be the sole deciding factor in the selection process, but will be considered in the case of this RFP.

As part of the evaluation process, the City may ask questions of a clarifying nature from Offerors as required. The City may also request an oral presentation to explain the proposal and answer questions.

The City reserves the right to cancel this RFP at any time or reject any or all proposals received as a result of this RFP if it is in the best interest of the City. The City reserves the right to waive any informality in any proposal.

X. CONTRACT TERM

The initial term of the contract will be three (3) years, beginning July 1, 2015. This contract period may be renewed for three (3) additional one (1) year periods, without bid, for a maximum of six (6) years through June 30, 2021, provided acceptable rates can be negotiated between the City and the successful Offeror.

The City reserves the right to terminate the contract, in part or in whole, without penalty, if the City determines that such termination is in the best interest of the City, by delivering written notice at least thirty (30) days prior to such termination.

XI. RENEWALS

The City requires renewals to be presented to the City and its consultant by January 15th for the plan year beginning July 1st. The final review and approval of the plan and rates are to be completed by February 15th prior to the start of the plan year. Upon final approval, Offerors are not allowed to modify the final renewal benefits or rates.

XII. 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 factors involved in the request for proposals, including price if so stated in the request for proposal. Negotiations shall then be conducted with each of 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 City shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror. Should the City 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. Once the selection has been made as to which Offeror will be awarded the contract, the Procurement

Manager will post a Notice of Award on the City's website at www.harrisonburgva.gov/bid-proposal-award-notifications and also on eVA at www.eva.virginia.gov.

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



ATTACHMENT A. QUESTIONNAIRE

SECTION I: ORGANIZATIONAL CAPABILITIES

A. Ability to Administer Plan

1. What is the address of the claims office through which claim service would be provided for this account?
2. What is the average time taken from date of receipt of a claim to the date a claim payment is postmarked?
3. What are your quality control standards for payment accuracy (both frequency and dollar amount)? How is performance monitored? How would you report performance to the City of Harrisonburg?
4. How are your claims processors evaluated? Please identify the relative importance of quantity versus quality. Is compensation tied to performance standards?
5. Describe what actions, if any, you propose to take to ensure that the plan complies with nondiscrimination requirements of Section 125, the Tax Reform Act of 1986 and the Patient Protection and Affordable Care Act of 2010.
6. Describe, and provide samples of, the written material that will be used to educate employees as to the nature of the plan and enroll employees in the plan. This communications material can include letters, posters, brochures, special worksheets and enrollment forms. Please be specific about what communication material is included in your overall cost proposal submission and which material or services would be billed at an additional charge.
7. Confirm that you will be mailing or emailing confirmation information to employees upon their enrollment in a flexible spending account plan.
8. Describe what type of government filing is required for the plan and whether or not you will be responsible for handling these legal requirements.
9. Who will have overall responsibility for servicing this account? Include individual's name, title, phone number, and current area of responsibility. To whom should City of Harrisonburg employees speak when calling about a claim? Will a specific service representative be assigned? If so, what are

his/her qualifications? If applicable, do you have a toll free telephone number for employees to call their service representative?

10. How many employees would be servicing this account? How many employees does your organization employ whose primary responsibility is spending account administration?
11. Provide samples of the correspondence you would send to employees (i.e., samples of periodic reports showing account balances, notice of potential forfeiture, request for additional information, check stubs, etc.).
12. What is the date your organization was formed and/or incorporated? How many years of experience do you have administering flexible spending accounts?
13. What other business/businesses is your organization engaged in besides administration of spending accounts?
14. Provide copies of your organization's two (2) most recent financial statements or two (2) financial references.
15. Confirm that you will be able to enroll newly hired employees at the time of hire as opposed to the annual enrollment period.
16. Please describe your enrollment procedures (i.e. paper, online, etc.).
17. Please describe your intended billing process.

B. Claims Processing

1. What claim documentation will you require from an employee in order to pay the claim?
2. How frequently will your system be able to process reimbursements to employees out of their spending accounts?
3. What is the frequency in which you process claims and reimburse employee expenses?

SECTION II: REPORTS AND RECORD KEEPING

A. Employee Reports

1. How frequently will these reports be provided?
2. What other modes of data transfer will be available?

B. Employer Reports

1. Describe and provide samples of the reports you would provide to the City of Harrisonburg.
2. How frequently will these reports be provided?

****This document must be completed & returned with proposal submission.***



**ATTACHMENT B. STATE CORPORATION COMMISSION (SCC)
FORM**

Virginia State Corporation Commission (“SCC”) registration information: The undersigned Offeror:

is a corporation or other business entity with the following SCC identification number:
_____ **-OR-**

is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust **-OR-**

is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the Offeror in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from bidder’s out-of-state location) **-OR-**

is an out-of-state business entity that is including with this bid an opinion of legal counsel which accurately and completely discloses the undersigned Offeror’s current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia.

****NOTE**** >> Check the following box if you have not completed any of the foregoing options but currently have pending before the SCC an application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for proposals (the Commonwealth reserves the right to determine in its sole discretion whether to allow such waiver):

Signature: _____ **Date:** _____

Name: _____
(Print)

Title: _____

Name of Firm: _____

****This document must be completed & returned with proposal submission.***



ATTACHMENT C. PROPRIETARY/CONFIDENTIAL INFORMATION IDENTIFICATION FORM

Name of Firm/Offeror: _____

Trade secrets or proprietary information submitted by an offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the offeror must invoke the protections of §2.2-4342F of the Code of Virginia, 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, including the section of the proposal in which it is contained, as well as the page number(s), 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 a trade secret or proprietary information. In addition, a summary of proprietary information provided shall be submitted on this form. The designation of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable. If, after being given reasonable time, the offeror refuses to withdraw such a classification designation, the proposal will be rejected.

SECTION/TITLE	PAGE NUMBER(S)	REASON(S) FOR WITHHOLDING

Check this box if there are none.

****This document must be completed & returned with proposal submission.***



ATTACHMENT D. INSURANCE REQUIREMENTS FORM

By signing and submitting a bid or proposal the vendor certifies that if awarded the contract, they will have the following insurance coverages at the time the contract is awarded.

- 1.) The contractor will maintain a general liability policy with \$1,000,000 combined single limits. Coverage is to be on an occurrence basis with an insurer licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better. **The insurer must list the City of Harrisonburg as an additional insured. The endorsement must be issued by the insurance company. A notation on the certificate of insurance is not sufficient.**
- 2.) The contractor will maintain workers' compensation coverage in compliance with the laws of the Commonwealth of Virginia. The coverage must have statutory limits and be with an insurer licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better. As an alternative, it is acceptable for the contractor to be insured by a group self insurance association that is licensed by the Virginia Bureau of Insurance. The contractor will also carry employers liability insurance with a limit of at least \$100,000 bodily injury by accident/\$500,000 bodily injury by disease policy limit/\$100,000 bodily injury by disease each employee.
- 3.) The contractor will maintain automobile liability insurance with limits of at least \$1,000,000. The coverage is to be written with a symbol "1". The insurer must be licensed to conduct business in the Commonwealth of Virginia. The insurer must have an A. M. Best rating of A- or better.
- 4.) **BLANKET FIDELITY BOND** - Contractor shall maintain a blanket fidelity bond obtained from an insurance company licensed to conduct fidelity business in the home state of the Contractor and which has earned an A.M. Best Company, Inc. rating of A or better, as reflected in their most current publication, covering all personnel under contract to the City of Harrisonburg, Virginia, with a penalty amount of not less than \$1,000,000. Certificates of such protection must be presented to the City prior to the start of the service showing name of surety, limit and type of coverage, term of coverage, co—obligee provision and name and address of licensed Virginia insurance agent.

With all policies listed above, the insurer or agent of the insurer must issue a certificate of insurance and endorsement to show evidence of coverage.

BIDDER/OFFEROR STATEMENT

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

Signature: _____ Date: _____

Name: _____ Title: _____
(Print)

Name of Firm: _____

****This document must be completed & returned with proposal submission.***



ATTACHMENT E. REFERENCE LIST

Indicate below a listing of at least three (3) government accounts that your company presently administers. Accounts are preferred to be government accounts of a similar size and nature.

Reference #1

Company: _____ Contact Person: _____

Phone #: _____ Email: _____

Project: _____ Dates of Service: _____

Reference #2

Company: _____ Contact Person: _____

Phone #: _____ Email: _____

Project: _____ Dates of Service: _____

Reference #3

Company: _____ Contact Person: _____

Phone #: _____ Email: _____

Project: _____ Dates of Service: _____

Indicate below a listing of at least one (1) government account that has terminated your company's services within the last two (2) years. Account(s) are preferred to be government accounts of a similar size and nature.

Reference #4

Company: _____ Contact Person: _____

Phone #: _____ Email: _____

Project: _____ Dates of Service: _____

****This document must be completed & returned with proposal submission.***



**ATTACHMENT F. CITY OF HARRISONBURG, VA
SAMPLE STANDARD CONTRACT RFP**

This Contract entered into this ___ day of _____ 20___, by _____ hereinafter called the “Contractor” and City of Harrisonburg, VA, called the “Owner”.

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

SCOPE OF CONTRACT: The Contractor shall provide the goods/services to the Owner as set forth in the Contract Documents.

PERIOD OF PERFORMANCE: From _____ through _____.

The contract documents shall consist of:

- (1) This signed form;
- (2) The entire City of Harrisonburg’s Official Request for Proposal (no revisions by the Contractor)

dated: _____

If applicable, any Official City Addenda:

#1, dated: _____

- (3) The Contractor’s Proposal dated _____ and the attached negotiated modifications (if applicable) to the Proposal, 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.

CONTRACTOR:

CITY OF HARRISONBURG, OWNER:

By: _____

By: _____

Title: _____

Title: _____

****Note: This form is just for reference and is NOT required to be submitted with your Proposal.***