

District School Board of Pasco County

Bid Recommendation

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|------------------------------------|--|--|--|------------------------------------|
| ITN Title | Voluntary Benefits 3 rd Party Administrator/ASP Program Administrator | | Number of Vendors Notified | 853 |
| ITN Number | 07-006-AZ | | Number of Proposals Distributed | 35 |
| Date Solicited | May 9, 2006 | | Number of Vendors Proposing | 7 |
| Date Opened | June 28, 2006 | | Number of Formal “No Bid” Responses | 2 |
| Date Board Presentation | August 1, 2006 | | Funding Source (if needed) | Internal Services |
| Total Savings | See below | | Grand Total of Proposal | No cost to Board anticipated |

Recommendation: Recommend acceptance of proposal from Sunbelt Worksite Marketing per attached tabulations of proposals and site visits, with permission to negotiate final contract. If negotiations with the top-ranked firm are not successful, we are requesting permission to negotiate, in turn, with the second and third-ranked firms, Aon Consulting and Fringe Benefits Management Company.

No cost to the Board for this program is anticipated at this time. As it is our intention to poll the Board for final approval of the contract some time during the week of August 28, 2006, any minimal customization costs, with funding sources, will be identified for the Board’s approval at that time.

Term of Contract: Five-year contract, renewable annually based upon the mutual agreement of both parties. First year term is January 1, 2007 – December 31, 2007.

Notations and Exceptions: On May 2, 2006, official action (attached) was taken to permit Employee Benefits and Risk Management (EBARM) to issue an Invitation to Negotiate (ITN) for the above-referenced services. The Evaluation Committee noted below scored compliant proposers according to criteria developed and weighted by the Committee, and outlined in the ITN document. Based on the average of the readers’ scores for each criteria, the proposers were ranked highest to lowest (see attached). Per the procedures outlined in the ITN, scores then returned to zero (0) for the top three (3) firms. Sunbelt, Fringe Benefits Management Co., and Aon were visited between July 20 – 24, 2006, and were ranked and scored again by the Site Visit Committee outlined below.

Notations and Exceptions, continued:

On July 25, 2006, the Insurance Committee recommended acceptance of the proposal by the highest ranked firm, Sunbelt Worksite Marketing. It is EBARM's intention to work towards internet-based benefits enrollment for all District employees in time for 2007 open enrollment, with benefits administration to follow after January 1, 2007. Employees will be offered the equivalent package of products we have in place with the current provider, Fringe Benefits Management Co., at pricing comparable with the current structure.

It is expected that implementation of the internet based benefits enrollment and benefits administration software programs will result in improved services to Board employees, both during open enrollment and during the remainder of the year. The open enrollment process will be simplified, since benefits will be more fully explained and the costs associated with the benefits will be very explicit. During the remainder of the year, employees will have access to this system to review benefit information.

Cost savings: This implementation will result in monetary savings in terms of hundreds of man-hours in the EBARM, Information Services and Payroll departments. Once fully implemented, the internet based benefits enrollment software should save over 500 hours of overtime during open enrollment.

Evaluation Committee:

Mary Tillman, Director of EBARM
Thomas Learn, Supervisor of Computer Services
Kevin Shibley, Supervisor of Employee Relations
Patricia Bartz, Employee Benefits Specialist
James Ciadella, USEP Representative
Cheryl Ganci, Employee Benefits Specialist
Judith Zollo, Payroll Coordinator

Site Visit Committee:

Mary Tillman, Director of EBARM
Patricia Bartz, Employee Benefits Specialist
Jennifer Croteau, Information Systems Analyst
Cheryl Ganci, Employee Benefits Specialist
Judith Zollo, Payroll Coordinator
Mina Kaeding, Buyer (non-voting)

Bids Prepared By:

Arlene Zimney, CPPB, C.P.M., Buyer

Reviewed and Authorized By:

Kendra Goodman, CPPB, Purchasing Agent

DISTRICT SCHOOL BOARD OF PASCO COUNTY ITN TABULATION

| | | | |
|--|--------------------------------|--------------------------------|----------------------------|
| Date of Opening: June 28, 2006 @ 2:30 pm | | | |
| Voluntary Benefits 3rd Party Admin./ASP Admin. | Aon Consulting Inc. | Fringe Benefits Management Co. | Sunbelt Worksite Marketing |
| ITN 07-006-AZ - SITE VISIT SCORES | 7650 W. Courtney Campbell Cse. | 3101 Sessions Rd. | PO Box 1287 |
| **BOARD MEETING AUGUST 1, 2006** | Tampa, FL 33607 | Tallahassee, FL 32303 | Auburndale, FL 33823 |
| | | | |
| Online/web enrollment | 14.80 | 12.00 | 13.20 |
| Benefits administration | 27.60 | 11.60 | 23.40 |
| Payroll/HR interface | 16.40 | 13.00 | 16.40 |
| Customer service | 6.20 | 16.60 | 18.40 |
| Technology | 14.20 | 8.60 | 12.40 |
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| Total | 79.20 | 61.80 | 83.80 |
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| | | | | |
|--|--|--------------------------------|-----------------------------------|---------------------------|
| Date of Opening: June 28, 2006 @ 2:30 pm | | | | |
| Voluntary Benefits 3rd Party Admin./ASP Admin. | American Family Life Assurance Co. (AFLAC) | Aon Consulting Inc. | Colonial Life & Accident Ins. Co. | Fringe Benefits Mgmt. Co. |
| ITN 07-006-AZ | 1932 Wynnton Rd. | 7650 W. Courtney Campbell Cse. | 1200 Colonial Life Blvd. | 3101 Sessions Rd. |
| *SCORES TO DETERMINE SITE VISITS** | Columbus, GA 31999 | Tampa, FL 33607 | Columbia, SC 29210 | Tallahassee, FL 32303 |
| | | | | |
| Experience | 7.61 | 9.86 | 6.77 | 8.940 |
| Customer Service | 11.82 | 13.49 | 11.99 | 15.190 |
| Benefits Package | 12.25 | 16.57 | 11.27 | 16.190 |
| Technology | 12.54 | 15.86 | 13.49 | 10.150 |
| Benchmark Pricing Structure | 13.06 | 8.17 | 6.54 | 17.550 |
| References | 9.24 | 10.00 | 9.55 | 9.280 |
| | | | | |
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| Total | 66.52 | 73.95 | 59.61 | 77.300 |

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| | | | | |
|--|--------------------------------------|----------------------------|---------------------------------|---|
| Date of Opening: June 28, 2006 @ 2:30 pm | | | | |
| Voluntary Benefits 3rd Party Admin./ASP Admin. | Gehring Group | Sunbelt Worksite Marketing | Wallace Welch & Willingham Inc. | |
| ITN 07-006-AZ | 11505 Fairchild Gardens Ave, Ste 202 | PO Box 1287 | PO Box 35020 | |
| *SCORES TO DETERMINE SITE VISITS** | Palm Beach Gardens, FL 33410 | Auburndale, FL 33823 | St. Petersburg, FL 33733 | |
| | | | | <u>Ranking order to determine site visits:</u> |
| Experience | 7.84 | 7.95 | 6.53 | 1) Sunbelt Worksite Marketing |
| Customer Service | 14.94 | 15.45 | 14.43 | 2) Fringe Benefits Mgmt Co. |
| Benefits Package | 13.09 | 14.85 | 13.74 | 3) Aon Consulting |
| Technology | 15.01 | 13.99 | 14.17 | 4) Wallace Welch & Willingham |
| Benchmark Pricing Structure | 5.72 | 17.96 | 10.61 | 5) AFLAC |
| References | 9.64 | 9.31 | 9.30 | 6) Gehring Group |
| | | | | 7) Colonial Life |
| <u>Total</u> | 66.24 | 79.51 | 68.78 | |