

**ONslow COUNTY SCHOOLS**  
**PURCHASING DEPARTMENT**  
**200 Broadhurst Road, Jacksonville, NC 28540**  
**P. O. Box 99, Jacksonville, North Carolina 28541-0099**  
**Phone (910) 455-2211 Fax (910) 455-1548**

**December 15, 2015**

**REQUEST FOR PROPOSAL**

**PROPOSAL NUMBER: 3898SB**

**TO BE RETURNED BY: January 14, 2016**

**SPECIALIZED SERVICES**

Offeror:  
 Attention:  
 Address:

Refer Inquiries To: **Sherri Barnhardt**  
**Director Procurement & Materials Mgt**  
 Telephone Number: **(910) 455-2211 ext. 20603**  
 E-Mail Address: [Sherri.Barnhardt@onslow.k12.nc.us](mailto:Sherri.Barnhardt@onslow.k12.nc.us)  
 Requisitioned By: **Dr. Barry Collins -**  
**Associate Superintendent – Human**  
**Resources**  
**Mr. Jeff Hollamon –**  
**Associate Superintendent – Chief**  
**Financial Officer**

**NOTICE TO OFFEROR**

**Sealed** proposals, subject to the conditions made a part hereof, will be received at this office until, but **not later than 2 o'clock p. m.**, for furnishing the supplies, materials and/or services, as described herein. Refer to Instructions for Proposals, Item 8 for proper mailing instructions.

Proposals and/or addenda submitted via E-Mail or facsimile (FAX) machine in response to this Request for Proposals **will not be** acceptable. Proposals are subject to rejection unless submitted on this form.

**EXECUTION**

In compliance with this Request for Proposals, and subject to all the conditions herein, the undersigned offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein. By executing this proposal, I certify that this proposal is submitted competitively and without collusion (G.S. 143-54), that none of our officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and that we are not an ineligible vendor as set forth in G.S. 143-59.1. False certification is a Class I felony.

**Failure to execute/sign proposal prior to submittal shall render proposal invalid. Late proposals are not acceptable.**

OFFEROR:		FEDERAL ID OR SOCIAL SECURITY NO.	
STREET ADDRESS:		P.O. BOX:	ZIP:
CITY & STATE & ZIP:		TELEPHONE NUMBER:	TOLL FREE TEL. NO
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING:		FAX NUMBER:	
AUTHORIZED SIGNATURE:	DATE:	E-MAIL:	
If you desire to "no proposal" this requirement, sign and return only this page, check appropriate box(es). <input type="checkbox"/> <b>NO PROPOSAL</b> <input type="checkbox"/> <b>REMOVE FROM MAILING LIST</b>			
Offer valid for 90 days from date of opening unless otherwise stated here: _____ days (See Instructions for Proposals, Item 6) Prompt Payment Discount: _____% _____ days (See Instructions for Proposals, Item 7)			

**ACCEPTANCE OF PROPOSAL**

If any or all parts of this proposal are accepted by Onslow County Schools, an authorized representative of the School System shall affix their signature hereto and this document and the provisions of the Instructions for Proposals, the special terms and the conditions specific to this Request for Proposal, the specifications, and the Onslow County Schools General Contract Terms and Conditions shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful offeror(s).

**FOR ONSLOW COUNTY SCHOOLS USE ONLY**

Offer accepted and contract awarded this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, as indicated on attached certification, by \_\_\_\_\_ (Authorized representative of Onslow County Schools).

**INSTRUCTION FOR PROPOSALS**

1. **READ, REVIEW AND COMPLY:** It shall be the offeror’s responsibility to read this entire document, review all enclosures and attachments, and comply with all requirements specified herein.

2. **NOTICE TO OFFERORS:**

All proposals are subject to the provisions of the Instructions for Proposals, special terms and conditions specific to this Request for Proposals, the specifications, and the Onslow County Schools General Contract Terms and Conditions.

The Onslow County Schools object to and will not evaluate or consider any additional terms and conditions submitted with a proposal response. This applies to any language appearing in or attached to the document as part of the offeror’s response. **DO NOT ATTACH ANY ADDITIONAL TERMS AND CONDITIONS.**

By execution and delivery of this document, the offeror agrees that any additional terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect.

3. **DEFINITIONS:**

**OFFEROR:** Company, firm, corporation, partnership, individual, etc., submitting a response to a Request for Proposals.

4. **EXECUTION:** Failure to sign under EXECUTION section may render proposal invalid.

5. **ORDER OF PRECEDENCE:** In cases of conflict between specific provisions in this proposal, the order of precedence shall be (1) special terms and conditions specific to this proposal and Submission Criteria, (2) specifications, (3) Onslow County Schools General Contract Terms and Conditions, and (4) Instructions for Proposals.

6. **TIME FOR CONSIDERATION:** Unless otherwise indicated on the first page of this document, the offer shall be valid for 90 days from the date of proposal opening. Preference may be given to proposals allowing not less than 90 days for consideration and acceptance.

7. **PROMPT PAYMENT DISCOUNTS:** Offerors are urged to compute all discounts into the price offered. If a prompt payment discount is offered, it will not be considered in the award of the contract except as a factor to aid in resolving cases of identical prices.

8. **MAILING INSTRUCTIONS:**

In an effort to support the sustainability efforts of the State of North Carolina we solicit your cooperation in this effort.

**It is desirable that all responses meet the following requirements:**

- All copies are printed **double sided**.
- All submittals and copies are printed on **recycled paper with a minimum post-consumer content of 30%** and indicate this information accordingly on the response.
- Unless absolutely necessary, all bids and copies should **minimize or eliminate use of non-recyclable or non re-usable materials** such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable.
- Materials should be submitted in a format which allows for **easy removal and recycling** of paper materials.

**Mail only one fully executed proposal document, unless otherwise instructed, and only one proposal per envelope. Address envelope and insert proposal number as shown below. It is the responsibility of the offeror to have the proposal in this office by the specified time and date of opening.**

<p><b><u>DELIVERED BY US POSTAL SERVICE</u></b></p> <p>PROPOSAL NO. <u>3898SB</u>  ONSLOW COUNTY SCHOOLS  PURCHASING DEPARTMENT  P. O. BOX 99  JACKSONVILLE, NC 28541-0099</p>
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**OR**

<p><b><u>DELIVERED BY ANY OTHER MEANS</u></b></p> <p>PROPOSAL NO. <u>3898SB</u>  ONSLOW COUNTY SCHOOLS  PURCHASING DEPARTMENT  200 BROADHURST ROAD  JACKSONVILLE, NC 28540</p>
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9. **TABULATIONS:** Verbal tabulations of proposals and award information can be obtained by calling the purchaser listed on the first page of this document.

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- 10. SPECIFICATIONS:** Any deviation from specifications indicated herein must be clearly pointed out; otherwise, it will be considered that items offered are in strict compliance with these specifications, and offeror will be held responsible therefore. Deviations shall be explained in detail. **The offeror shall not construe this paragraph as inviting deviation or implying that any deviation will be acceptable.**
- 11. INFORMATION AND DESCRIPTIVE LITERATURE:** Offeror is to furnish all information requested and in the spaces provided in this document. Further, if required elsewhere in this proposal, each offeror must submit with their proposal sketches, descriptive literature and/or complete specifications covering the products offered. Reference to literature submitted with a previous offer will not satisfy this provision. Proposals which do not comply with these requirements will be subject to rejection.
- 12. CLARIFICATIONS/INTERPRETATIONS:** Any and all questions regarding this document must be addressed to the purchaser named on the cover sheet of this document. Do not contact the user directly. Any and all revisions to this document shall be made only by written addendum. The offeror is cautioned that the requirements of this proposal can be altered only by written addendum and that verbal communications from whatever source are of no effect.
- 13. ACCEPTANCE AND REJECTION:** Onslow County Schools reserves the right to reject any and all proposals, to waive any informality in proposals and, unless otherwise specified by the offeror, to accept any item in the proposal. If either a unit price or extended price is obviously in error and the other is obviously correct, the incorrect price will be disregarded.
- 14. REFERENCES:** Onslow County Schools reserves the right to require a list of users of the exact item offered. Onslow County Schools may contact these users to determine acceptability of the proposal. Such information may be considered in the evaluation of the proposal.
- 15. TAXES:**
- FEDERAL:** All agencies participating in this contract are exempt from Federal Taxes, such as excise and transportation. Exemption forms submitted by the contractor will be executed and returned by the using agency.
- OTHER:** Prices offered are not to include any personal property taxes, nor any sales or use tax (or fees) unless required by the North Carolina Department of Revenue.
- 16. AWARD OF CONTRACT:** As directed by statute, qualified proposals will be evaluated and acceptance may be made of the lowest and best proposal most advantageous to the Onslow County Schools as determined upon consideration of such factors as: prices offered; the quality of the articles offered; the general reputation and performance capabilities of the offerors; the substantial conformity with the specifications and other conditions set forth in the proposal; the suitability of the articles for the intended use; the related services needed; the date or dates of delivery and performance; and such other factors deemed by the Onslow County Schools to be pertinent or peculiar to the purchase in question. Unless otherwise specified by the Onslow County Schools or the offeror, the Onslow County Schools reserves the right to accept any item or group of items on a multi-item proposal.
- In addition, on TERM CONTRACTS, Onslow County Schools reserves the right to make partial, progressive or multiple awards: where it is advantageous to award separately by items; or where more than one supplier is needed to provide the contemplated requirements as to quantity, quality, delivery, service, geographical areas; other factors deemed by the Onslow County Schools to be pertinent or peculiar to the purchase in question.
- 17. HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to General Statute 143-48 and Executive Order #150, Onslow County School invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.
- 18. CONFIDENTIAL INFORMATION:** As provided by statute and rule, Onslow County Schools will consider keeping trade secrets which the offeror does not wish disclosed confidential. Each page shall be identified in boldface at the top and bottom as "CONFIDENTIAL" by the offeror. Cost information shall not be deemed confidential. In spite of what is labeled as a trade secret, the determination whether it is or not will be determined by North Carolina law.
- 19. SAMPLES:** Sample of items, when required, must be furnished as stipulated herein, free of expense, and if not destroyed will, upon request be returned at the offeror's expense. Request for the return of samples must be made within 10 days following date of proposal opening. Otherwise the samples will become School property. Each individual sample must be labeled with the offeror's name, proposal number, and item number. A sample on which an award is made, will be retained until the contract is completed, and then returned, if requested, as specified above.
- 20. PROTEST PROCEDURES:** When a bidder wants to protest a contract awarded by the Onslow County Schools resulting from this solicitation, they must submit a written request to the Purchasing Director, Onslow County Schools, 200 Broadhurst Road, Jacksonville, NC 28540. This request must be received in the Onslow County Schools' Purchasing Department within thirty (30) consecutive calendar days from the date of the contract award. Protest letters must contain

specific reasons and any supporting documentation for the protest. Note: Contract award notices are sent only to those actually awarded contracts, and not to every person or firm responding to this solicitation. Bid status and Award notices are available by contacting the Onslow County Schools' Purchasing Department at (910) 455-2211. All protests will be handled pursuant to the North Carolina Administrative Code, Title 1, Department of Administration, Chapter 5, Purchase and Contract, Section 5B.1519.

21. **MISCELLANEOUS:** Masculine pronouns shall be read to include feminine pronouns, and the singular of any word or phrase shall be read to include the plural and vice versa.
22. **RECIPROCAL PREFERENCE:** G.S. 143-59 establishes a reciprocal preference law to discourage other states from applying in-state preferences against North Carolina's resident bidders. The "Principal Place of Business" is defined as the principal place from which the trade or business of the bidder is directed or managed.

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## SUBMISSION CRITERIA

### A. Invitation to Bid

Onslow County Schools (OCS) formally provides all qualified parties with the opportunity to bid on the following services:

#### **SECTION 125 CAFETERIA/403(B) 457 PLAN ADMINISTRATION**

All respondents are hereby advised that OCS may solicit and secure background information based upon the information, including references, provided in response to this Request for Proposal (RFP). By submission of a proposal all respondents agree to such activity and release OCS from all claims arising from such activity.

### B. Purpose/Employer Background Information

The purpose of this RFP is to solicit offers from qualified companies to assist OCS with strategically planning, designing and negotiating the best coverage and cost for selective employee benefit programs. The RFP is to evaluate respondents' experience relative to the stated plan. Strict adherence to the points outlined in the RFP is necessary. Currently we are not requesting specific rates for our benefits. It is our intention not to release census data or claims history until after the benefit administrator has been chosen.

We are in search of a company with evidence that they are able to provide the needed benefit administration for OCS and its employees. OCS has approximately 3000 employees, 37 schools, a central office, 1 maintenance site and 1 pupil transportation site.

This Request for Proposal does not indicate in any way that we are dissatisfied with the services, plans and/or products of our current provider. Instead we are ensuring that our employees are continually offered the best benefit services and products available.

### C. Right to Reject

OCS retains the right to reject any and all proposals submitted. This RFP does not commit OCS to the award of a contract, nor to pay any costs incurred in the preparation and submission of proposals in anticipation of a contract. OCS is not required to select the proposal with the lowest bid, but shall take into consideration other factors, including, past experience relative to Section 125 Plans 403(b) and 457 Plans and other employee benefits in school districts, overall record of service, financial stability, references, ability to provide requested services, and any other factors found necessary for quality service. Respondents agree that OCS reserves the right to reject any or all proposals, as appears in its own best interest, as well as the right to waive technicalities, negotiate with all qualified sources, or to cancel all or part of this RFP.

### D. Due Date

Sealed proposals must be received in the office of Procurement and Materials Management no later than 2:00 pm on January 14, 2016.

### E. Submission

One (1) printed document and one (1) appropriate electronic document (ie, flash drive, CD, etc.) are to be mailed in a **sealed** package to:

Sherri Barnhardt  
Director, Procurement and Materials Management  
Onslow County Schools  
200 Broadhurst Rd.  
PO Box 99  
Jacksonville, NC 28541

Sealed proposals should reference the "**Onslow County Schools RFP Submission/Section 125/403(b) and 457 Plan Administration – Due January 14, 2016**" on the outside cover. If the proposal is an amendment to a previous submission, this should be notated as well so the amended proposal will overrule any prior submissions. At any time prior to the specified time and date set for proposal opening, a respondent (or his designated representative) may withdraw his proposal by

submitting this request in writing. No respondent shall be permitted to withdraw its proposal for any reason after the proposals have been opened.

Respondent shall submit its formal proposal with the same format as provided in the specifications. The proposal must comply with the RFP in its entirety.

Respondent must give full company name and address. Failure to manually sign offer may disqualify proposal. Individual signing the offer shall show Title of Authority to bind his company in contract. Erasures, interlineations or other modifications in the proposals must be initialed by a person authorized to sign the respondent's offer.

It is the respondent's responsibility to have the proposal mailed correctly and in the office by the specified date and time for opening.

#### **F. Fees**

All stated fees shall be guaranteed for a minimum of 12 months, beginning September 1, 2016.

#### **G. Exceptions**

By submitting a response to this RFP, respondent guarantees that all requirements and qualifications stated in this RFP will be met. In the event that certain requirements cannot be met, such deviations must be noted as an exception in the respondent's cover letter. Other than minor deviations, no alternate proposals will be considered. Failure to notate any deviations to the RFP's requirements and qualifications will allow OCS to assume all requirements/qualifications can be met by the respondent.

#### **H. Questions**

All questions pertaining to this RFP should be submitted in writing to:

Sherri Barnhardt  
Director, Procurement and Materials Management  
Onslow County Schools  
200 Broadhurst Rd.  
PO Box 99  
Jacksonville, NC 28541  
[sherri.barnhardt@onslow.k12.nc.us](mailto:sherri.barnhardt@onslow.k12.nc.us)

Do not make any direct verbal or written contact with any member of the OCS Board of Education or with any member of the OCS staff, except as noted above, at any point during the RFP process. Non-compliance with this provision may render your proposal invalid. Any questions which, in the opinion of OCS, warrant a written reply or RFP amendment will be furnished to all parties receiving this RFP and posted on the OCS website at [www.onslow.k12.nc.us](http://www.onslow.k12.nc.us). Onslow County Schools will not respond to questions received after January 7, 2016.

#### **I. Contractual Terms**

Any contract issued between OCS and the successful bidder shall be guaranteed for no less than three years, subject to earlier termination as provided by law and the terms herein. OCS' plan year is (September 1 – August 31).

#### **J. Oral Presentations**

During the evaluation process, OCS may, at its discretion, request any one or all companies to make oral presentations for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, companies are cautioned that OCS is not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the company. Not all companies may be asked to make such oral presentations.

#### **K. Final Selection**

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❖ **COMPANY QUALIFICATIONS:** (If respondent bidder/company cannot meet any of the following qualifications, such exceptions must be notated on the company's cover letter.)

Company must provide a toll-free telephone line for customer service.

A local representative(s) of the company must be available during normal working hours for customer service.

Company's Flexible Benefits Plan must include Flexible Spending Accounts.

Company must conduct meetings and enrollments with all personnel on mutually agreed upon days to educate and inform, answer questions, and give presentations on the plan, its benefits, and products.

Company must act as a school system liaison for plan operations to assist with the resolution of employee, participant, and administrative problems as they arise.

Company must conduct annual surveys of insurance products' performance and status to assure that products continue to be qualified under Section 125/403(b) and 457 and those carriers maintain proper ratings.

Company must assure continuing compliance with I.R.C. and Department of Labor regulations and rules of the employer; including but not limited to, reviewing Benefit Election Forms, Plan Documents, Summary Plan Descriptions, Plan Changes and Amendments, complete Form 5500 and other IRS filings.

Company must assure continuing compliance with all applicable state and federal laws and regulations regarding Section 125 cafeteria benefits plans/403(b) and 457 Plans.

Company must maintain all plan records in a fashion conducive to providing verification of plan compliance.

Company must provide the school system with all needed forms to facilitate plan operations and compliance.

Company must provide the administrative responsibilities of the Section 125 Cafeteria Plan/403(b) and 457 Plan with a licensed Third Party Administrator.

Company and Plan Documents allow OCS to terminate the agreement for convenience at any time upon 30 Days notice.



❖ **TYPE OF PLAN:**

OCS desires to have one company provide and service the proposed plan. Proposals should include the following benefits. Verify that your company has the required qualifications, expertise, competence and capability of providing and administrating each of the following benefits:

**Qualified Section 125 Benefits**

Medical Reimbursement	Yes/No
Dependent/Child Care Reimbursement	Yes/No
Disability Insurance	Yes/No
Life Insurance	Yes/No
Board Paid Group Term Life	Yes/No
Voluntary Group Term Life	Yes/No
Supplemental Health	Yes/No
Cancer and Specified Disease Insurance	Yes/No
Heart/Stroke Insurance	Yes/No
Critical Illness Insurance	Yes/No
Accident Insurance	Yes/No
Dental Insurance	Yes/No
Vision Insurance	Yes/No
Long Term Care Insurance	Yes/No
403(b)/457 Administration	Yes/No
403(b)	Yes/No
457	Yes/No

**QUESTIONNAIRE:** (All bidding companies must complete this questionnaire.)

<u>Question</u>	<u>Answer:</u> <i>Attach additional sheets, if necessary</i>
1. What is the name and address of your organization?	
2. What year was your organization established?	
3. What is the location of the office(s) where administration functions will be performed?	
4. Is your company a wholly-owned subsidiary or a division of another company?  If division, please identify the company name and address.	
5. Please describe your customer service program in detail	
6. 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.	
7. Provide a description of the business experience and professional achievements of the principals of your firm who would be assigned to work on the OCS account. Attach resumes or summarized credentials of the account manager and all other staff who would be assigned to the OCS account.	
8. Please provide a list of all public school systems that your company administers the Section 125 plan, including Flexible Spending Accounts and 403(b) and 457 Accounts.	
9. Do you have any insurance companies with whom you <u>are required to do business</u> ?  If so, please list these companies and explain the nature of your relationship with them.	
10. Do you require vendors to execute agreements which hold you, the employee, and the school system harmless from any problems resulting from the vendor's participation in the plan?  If so, please explain the relevant terms of these agreements.	
11. Do you provide sample Plan Documents and other legal forms?  If yes, please provide sample Plan Documents and list all costs.	
12. Do your Plan Documents hold the employee and the school system harmless from any problems resulting from the administration of the plan?  If so, please explain the relevant terms.	
13. Specify any direct or indirect fees, costs, percentages or commissions collected from the employee and/or the school system under the plan.	

14. Specify any fees or costs associated with transitioning existing OCS employees to a cafeteria benefits plan and related products administered by your company. Specifically respond to whether, in transition, your plan vendors will cover pre-existing conditions of current OCS employees covered under the district's insurance plan.	
15. Do you perform discrimination testing? If yes, what type, how often and list all costs.	
16. Is your company a fully licensed Third Party Administrator (TPA) or do you use or contract with an outside TPA? Explain fully. If selected and your company is a fully licensed TPA, a copy of the TPA license must be included in the company's submission, as well as at least 5 references located in North Carolina and the latest rating and commentary by the A.M. Best Company. If selected and TPA services are contracted, a copy of the TPA's license will need to be provided, as well as a copy of their latest audited financial report and latest rating and commentary by the A.M. Best Company.	
17. How does your company keep abreast of all changes in all applicable laws and regulations pertaining to Section 125 cafeteria benefits/403(b) and 457 plans?	
18. How will you keep the district informed of all changes in both state and federal laws and regulations pertaining to Section 125 cafeteria benefits/403(b) and 457 plans to assure that the district and its plan remain in compliance	
19. Detail how your organization participates in developing a strategic benefit plan with your clients.	
20. Describe your organization's involvement in the annual renewal process. Include information regarding process timeframes, negotiation of rates and vendor selection. Does your current annual renewal process include a fee increase in the second and third years of the contract? Would your company agree to freeze all costs and fee increases for a minimum of three plan years?	
21. Please provide a list of the vendors you have relationships with in regard to health, disability, life, supplemental health, and dental insurance plans.	
22. Describe in detail the communication and enrollment process. <ol style="list-style-type: none"> <li>a. Who will be doing the enrollment?</li> <li>b. What is their experience in benefit communication and enrollment with NC Public School Systems?</li> <li>c. How many agents will be assigned to cover the initial and ongoing enrollment?</li> <li>d. Is each member of your enrollment team a full time employee of your company or are they sub-contractors? Compensated by commission or salary? Explain fully.</li> <li>e. Will members of your enrollment team working on the OCS' account be full time employees of your company or sub-contractors? Compensated by commission or salary? Explain fully.</li> <li>f. Include a sample of your Employee Benefit Booklet. Include a sample of your Employee Benefit Election Form.</li> </ol>	
23. What enrollment materials will be provided by your company? At what costs? Are you capable of conducting electronic enrollment?	
24. Describe how your organization strives to streamline benefit administration for your clients. Include any services you provide for automation of the benefit process (i.e. electronic capabilities, outsourcing options). Attach any associated costs for these services on a separate fee schedule.	
25. Describe the types of reports available on a monthly basis that will allow OCS to track the number of employees enrolled in each product	

and the corresponding deductions being made.	
26. How are product and premium changes communicated to OCS and its employees?	
27. Please provide a list of all fees that your firm will charge to administer our Flexible Benefits Plan including COBRA services, Flex Card, Medical Reimbursement Loss Guarantee, and/or other insurance products you will offer.	
28. Describe your administration services for flexible spending accounts. <ul style="list-style-type: none"> <li>a. Describe the claim reimbursement process for flexible spending accounts.</li> <li>b. How often do you pay reimbursement claims?</li> <li>c. Do you upfront money to the annual election for medical reimbursement claims, or is the school system required to maintain a separate account?</li> <li>d. Do you provide a debit card for medical reimbursement flexible spending accounts? If so, please list all costs.</li> <li>e. Should there be a deficit at the end of the plan year in contributions versus claims paid, who is responsible for the deficit? Please fully explain your process.</li> </ul>	
29. Describe your claims reimbursement process. <ul style="list-style-type: none"> <li>a. Where is the location of your claims department?</li> <li>b. How often are claims reimbursed?</li> <li>c. What is the average turnaround time of an "approved" claim?</li> </ul> What steps will you take to ensure a claim is valid under IRS guidelines?	
30. Do you offer online billing/reconciliation? If no, will you provide the option? Explain in full detail your monthly reconciliation process.	
31. Please describe your company's billing turnaround time between receipt of contributions and disbursement to vendors.	
32. Will your company allow employees to keep all existing policies in place including keeping pre-tax policies on a pre-tax basis? Will your company provide single source billing for these existing policies? Will this single source billing be provided at no charge? If there is a charge, fully describe the costs involved?	
33. Will your company monitor all employee and employer pre-tax contributions that may apply to the Cadillac tax limits and prevent employees from signing up for benefits that would cause them to exceed the Cadillac tax limit? How would your company implement this strategy? Will your company reimburse OCS for any tax liability incurred due to exceeding the Cadillac tax limit?	
34. What makes your organization unique from other organizations that may submit proposals for consideration?	
35. Provide any additional information regarding our organization or services that you feel would be beneficial in helping OCS select a benefits broker.	

**A. Liability Protection and Banking Reference**

1. Please disclose the amount of liability insurance protection currently in force. If selected and a TPA service is contracted, they must provide confirmation of coverage.
2. Are the company and all employees bonded? If so, please provide details.
3. Please provide the name and address of your bank

**B. Compensation**

Please clearly outline your compensation associated with the required services on a separate compensation addendum (i.e. market research, customer service, customer education services, benefit communication services, Section 125 plan documents, and flexible spending accounts administrative fees). How are fees established? When are fees paid? Does the fee structure incorporate various levels of participation? Are you paid any commissions from the vendors?

**C. History**

Briefly explain the development of your organization and your corporate business objectives. Explain how long you have been in business and how long you have been providing Section 125/403(b) and 457 Plan Administration services.

**D. References**

Proposals must list five (5) references for which similar work has been performed during the past three (3) years. Please include client name, contact name, address and telephone number.

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**SPECIAL TERMS**

**USER:** Onslow County Schools

**ATTENTION:** E-Procurement rules WILL apply for Registered E-Procurement Vendors only. Reference the General Contract Terms and Conditions, paragraphs 19 and 20.

**QUESTIONS AND ANSWERS:** Prospective bidders are required to submit any questions regarding this proposal to Sherri Barnhardt, Director Procurement & Materials Management by email to: [sherri.barnhardt@onslow.k12.nc.us](mailto:sherri.barnhardt@onslow.k12.nc.us) as soon as possible. Onslow County Schools will not respond to questions received after January 7, 2016. A summary of all pertinent questions and answers will be emailed to all prospective bidders.

**USAGE AND DURATION:** This contract is intended to cover our normal requirements for these services from the date of award through the completion of all services related to the third plan year ending August 31, 2019. This contract may be extended, at the option of Onslow County Schools, for an additional period of two (2) years, renewable each year. No minimum or maximum quantities are implied or guaranteed herein. While it is not contemplated that any abnormal requirements will develop, however, if such should occur, Onslow County Schools reserves the right to call for separate proposals.

**EARLY TERMINATION:** This agreement may be terminated at any time with "cause" by either party. "Cause" would include, but not be limited to, the following:

- \* Violating applicable state or federal insurance laws and regulations;
- \* Engaging in any illegal or inappropriate conduct;
- \* Deliberate misrepresentation of any facts;
- \* Failure to send monies deducted from employee pay to insurance carriers in a timely manner thus causing a lapse of individual policies;
- \* Failure to render all bills paid when due;
- \* Failure to perform the duties and obligations under this agreement.

To invoke the provisions of the early termination with cause, the offended party must contact the other party in writing stating cause at least forty-five (45) days prior to the date of the actual contract termination. Upon termination, Plan Provider agrees to give client any employee or benefit records that would be necessary for another plan provider to complete the current plan year.

The Client may terminate this agreement without cause effective at the end of any Plan Year if written notice is provided to the Plan Provider at least six (6) months prior to the beginning of the subsequent Plan Year.

**RE-ENROLLENT:** Plan Provider will be required to complete an annual re-enrollment prior to the last 25 student days of the school year preceding the new Plan Year.

**INFORMATION REQUIRED WITH BID:** Submit complete descriptive literature and specification on all items offered. Bids which fail to comply may be subject to rejection.

**ONslow COUNTY SCHOOLS**

**GENERAL CONTRACT TERMS AND CONDITIONS**

1. **DEFAULT AND PERFORMANCE BOND:** If, through any cause, Vendor shall fail to fulfill in timely and proper manner the obligations under this agreement, Onslow County Schools shall have the right to terminate this contract by giving written notice to the Vendor and specifying the effective date thereof. In case of default by the Vendor for any reason, Onslow County Schools may procure substitute goods from other sources and hold the Vendor responsible for any excess cost occasioned thereby. Onslow County Schools reserves the right to require at any time a performance bond or other acceptable alternative guarantees from a successful Vendor without expense to Onslow County Schools.  
  
In addition, in the event of default by the Vendor under this contract, Onslow County Schools may immediately cease doing business with the Vendor, immediately terminate for cause all existing contracts Onslow County Schools has with the Vendor, and debar the Vendor from doing future business with Onslow County Schools.  
  
Upon the Vendor filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Vendor, Onslow County Schools may immediately terminate, for cause, this contract and all other existing contracts the Vendor has with Onslow County Schools, and debar the Vendor from doing future business with Onslow County Schools.
2. **GOVERNMENTAL RESTRICTIONS:** In the event any Governmental restrictions are imposed which necessitate alteration of the material, quality, workmanship or performance of the items offered prior to their delivery, it shall be the responsibility of the Vendor to notify, in writing, the issuing purchasing office at once, indicating the specific regulation which required such alterations. Onslow County Schools reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the contract.
3. **AVAILABILITY OF FUNDS:** Any and all payments to the contractor are dependent upon and subject to the availability of funds to the agency for the purpose set forth in this agreement.
4. **TAXES:** Any applicable taxes shall be invoiced as a separate item.
  - a. G.S. § 143-59.1 bars the Secretary of Administration from entering into contracts with vendors if the Vendor or its affiliates meet one of the conditions of G.S. § 105-164.8(b) and refuse to collect use tax on sales of tangible personal property to purchasers in North Carolina. Conditions under G.S. § 105-164.8(b) include: (1) Maintenance of a retail establishment or office, (2) Presence of representatives in the State that solicit sales or transact business on behalf of the vendor and (3) Systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. By execution of the quote document the Vendor certifies that it and all of its affiliates, (if it has affiliates), collect(s) the appropriate taxes.
  - b. All agencies participating in this contract are exempt from Federal Taxes, such as excise and transportation. Exemption forms submitted by the Vendor will be executed and returned by the using agency.
  - c. Prices offered are not to include any personal property taxes, nor any sales or use tax (or fees) unless required by the North Carolina Department of Revenue.
5. **SITUS:** The place of this contract, its situs and forum, shall be North Carolina, where all matters, whether sounding in contract or tort, relating to its validity, construction, interpretation and enforcement shall be determined.
6. **GOVERNING LAWS:** This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina, without regard to its conflict of laws rules.
7. **INSPECTION AT CONTRACTOR'S SITE:** Onslow County Schools reserves the right to inspect, at a reasonable time, the equipment/item, plant or other facilities of a prospective contractor prior to contract award, and during the contract term as necessary for Onslow County Schools' determination that such equipment/item, plant or other facilities conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the contract.
8. **PAYMENT TERMS:** Onslow County Schools prefers payment to be made when entire purchase order is complete. Payment terms are Net not later than 30 days after receipt of correct invoice or acceptance of goods, whichever is later. The using agency is responsible for all payments to the Vendor under the contract. Payment by some agencies may be made by procurement card, if the Vendor accepts that card (Visa, MasterCard, etc.) from other customers, and it shall be accepted by the Vendor for payment under the same terms and conditions as any other method of payment accepted by the Vendor. If payment is made by procurement card, then payment may be processed immediately by the Vendor.
9. **AFFIRMATIVE ACTION:** The Vendor will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability.

10. **CONDITION AND PACKAGING:** Unless otherwise provided by special terms and conditions or specifications, it is understood and agreed that any item offered or shipped has not been sold or used for any purpose and shall be in first class condition. All containers/packaging shall be suitable for handling, storage or shipment.
11. **STANDARDS:** All manufactured items and/or fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving a connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner acceptable to the appropriate state inspector which customarily requires the label or re-examination listing or identification marking of the appropriate safety standard organization; such as the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories and /or National Electrical Manufacturers' Association for electrically operated assemblies; or the American Gas Association for gas operated assemblies, where such approvals of listings have been established for the type of device offered and furnished. Further, all items furnished shall meet all requirements of the Occupational Safety and Health Act (OSHA), and state and federal requirements relating to clean air and water pollution.
12. **INTELLECTUAL PROPERTY INDEMNITY:** Vendor shall hold and save Onslow County Schools, its officers, agents and employees, harmless from liability of any kind, including costs and expenses, resulting from infringement of the rights of any third party in any copyrighted material, patented or unpatented invention, articles, device or appliance delivered in connection with this contract.
13. **ADVERTISING:** Vendor agrees not to use the existence of this contract or the name of Onslow County Schools as part of any commercial advertising or marketing of products or services. A Vendor may inquire whether Onslow County Schools is willing to act as a reference by providing factual information directly to other prospective customers.
14. **ACCESS TO PERSONS AND RECORDS:** During and after the term hereof, the State Auditor and any using agency's internal auditors shall have access to persons and records related to this contract to verify accounts and data affecting fees or performance under the contract, as provided in G.S. § 143-49(9).
15. **ASSIGNMENT:** No assignment of the Vendor's obligations nor the Vendor's right to receive payment hereunder shall be permitted.

However, upon written request approved by the issuing purchasing authority and solely as a convenience to the Vendor, Onslow County Schools may:

- a. Forward the Vendor's payment check directly to any person or entity designated by the Vendor, and
- b. Include any person or entity designated by Vendor as a joint payee on the Vendor's payment check.

In no event shall such approval and action obligate Onslow County Schools to anyone other than the Vendor and the Vendor shall remain responsible for fulfillment of all contract obligations. Upon advance written request, Onslow County Schools may, in its unfettered discretion, approve an assignment to the surviving entity of a merger, acquisition or corporate reorganization, if made as part of the transfer of all or substantially all of the Vendor's assets. Any purported assignment made in violation of this provision shall be void and considered a material breach of this contract.

16. **INSURANCE:**

**COVERAGE** - During the term of the contract, the Vendor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the Vendor shall provide and maintain the following coverage and limits:

- a. **Worker's Compensation** - The contractor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$500,000.00, covering all of Vendor's employees who are engaged in any work under the contract. If any work is sublet, the contractor shall require the subcontractor to provide the same coverage for any of his employees engaged in any work under the contract.
- b. **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$500,000.00 Combined Single Limit. (Defense cost shall be in excess of the limit of liability.)
- c. **Automobile** - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the contract. The Motor Vehicle Insurance Coverage shall be in an amount not less than \$300,000 for Bodily Injury, including Accidental Death, to any one person and subject to the same limit for each person, in an amount not less than \$500,000 on account of one accident; and Property Damage Insurance Coverage in an amount not less than



\$100,000/\$300,000; Uninsured/Under Insured Motorist Insurance Coverage in an amount not less than \$150,000.00 and \$2,500.00 medical payment.

**REQUIREMENTS:** Providing and maintaining adequate insurance coverage is a material obligation of the Vendor and is of the essence of this contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The Vendor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the contractor shall not be interpreted as limiting the Vendor's liability and obligations under the contract. Onslow County Schools will be required to be listed as an additional insured for general liability.

17. **GENERAL INDEMNITY:** The Vendor shall hold and save Onslow County Schools, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation that may be injured or damaged by the Vendor in the performance of this contract and that are attributable to the negligence or intentionally tortious acts of the Vendor provided that the Vendor is notified in writing within 30 days that Onslow County Schools has knowledge of such claims. The Vendor represents and warrants that it shall make no claim of any kind or nature against Onslow County Schools' agents who are involved in the delivery or processing of contractor goods to Onslow County Schools. The representation and warranty in the preceding sentence shall survive the termination or expiration of this contract.

18. **REGISTERED E-PROCUREMENT VENDORS:**

**ELECTRONIC PROCUREMENT (APPLIES TO ALL CONTRACTS THAT INCLUDE E-PROCUREMENT AND ARE IDENTIFIED AS SUCH IN THE BODY OF THE SOLICITATION DOCUMENT):** Purchasing shall be conducted through the Statewide E-Procurement Service. The State's third party agent shall serve as the Supplier Manager for this E-Procurement Service. The Vendor shall register for the Statewide E-Procurement Service within two (2) business days of notification of award in order to receive an electronic purchase order resulting from award of this contract.

**THE SUCCESSFUL BIDDER(S) SHALL PAY A TRANSACTION FEE OF 1.75% (.0175) ON THE TOTAL DOLLAR AMOUNT (EXCLUDING SALES TAXES) OF GOODS INCLUDED ON EACH PURCHASE ORDER ISSUED THROUGH THE STATEWIDE E-PROCUREMENT SERVICE.** This applies to all purchase orders, regardless of the quantity or dollar amount of the purchase order. The transaction fee shall not be stated or included as a separate item on the proposed contract or invoice. There are no additional fees or charges to the Vendor for the services rendered by the Supplier Manager under this contract. Vendor will receive a credit for transaction fees they paid for the purchase of any item(s) if an item(s) is returned through no fault of the Vendor. Transaction fees are non-refundable when an item is rejected and returned, or declined, due to the Vendor's failure to perform or comply with specifications or requirements of the contract.

Vendor or its Authorized Reseller, as applicable, will be invoiced monthly for the State's transaction fee by the Supplier Manager. The transaction fee shall be based on purchase activity for the prior month, or purchases for which the supplier invoice has been paid. Unless Supplier Manager receives written notice from the Vendor identifying with specificity any errors in an invoice for the transaction fee within thirty (30) days of the receipt of invoice, such invoice shall be deemed to be correct and Vendor shall have waived its right to later dispute the accuracy and completeness of the invoice. Payment of the transaction fee by the Vendor is due to the account designated by the State within thirty (30) days after receipt of the correct invoice for the transaction fee. If payment of the transaction fee is not received by the State within this payment period, it shall be considered a material breach of contract. Pursuant to North Carolina General Statute § 147-86.23, the Service will charge interest and late payment penalties on past due balances. Interest shall be charged at the rate set by the Secretary of Revenue pursuant to N.C.G.S. § 105-241.21 as of the date the balances are past due. The late payment penalty will be ten percent (10%) of the account receivable. Within thirty (30) days of the receipt of invoice, Vendor may dispute in writing the accuracy of an invoice. No interest shall be charged on disputed and overdue amounts to the extent the State agrees to reduce or adjust the amount in dispute. The Supplier Manager shall provide, whenever reasonably requested by the Vendor in writing (including electronic documents), supporting documentation from the E-Procurement Service that accounts for the amount of the invoice.

The Supplier Manager will capture the order from the State approved user, including the shipping and payment information, and submit the order in accordance with the E-Procurement Service. Subsequently, the Supplier Manager will send those orders to the appropriate Vendor on State Contract. Onslow County Schools or State approved user, not the Supplier Manager, shall be responsible for the solicitation, quotes received, evaluation of quotes received, award of contract, and the payment for goods delivered.

Vendor agrees at all times to maintain the confidentiality of its user name and password for the Statewide E-Procurement Services. If Vendor is a corporation, partnership or other legal entity, then the Vendor may authorize its employees to use its password. Vendor shall be responsible for all activity and all charges by such employees. Vendor agrees not to permit a third party to use the Statewide E-Procurement Services through its account. If there is a breach of security through the Vendor's account, Vendor shall immediately

change its password and notify the Supplier Manager of the security breach by e-mail. Vendor shall cooperate with the State and the Supplier Manager to mitigate and correct any security breach.

**VENDOR IS AND SHALL REMAIN RESPONSIBLE FOR PAYING THE TRANSACTION FEE ON BEHALF OF ANY SUB-CONTRACTOR OR DEALER INVOLVED IN PERFORMANCE UNDER THIS CONTRACT IN THE EVENT THAT SUCH SUB-CONTRACTOR OR DEALER DEFAULTS ON PAYMENT.**

19. **NON-REGISTERED E-PROCUREMENT VENDORS:** E-Procurement Rules **DO NOT** apply.
20. **COMPLIANCE WITH LAWS:** Vendor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and performance in accordance with this contract, including those of federal, state and local agencies having jurisdiction and/or authority.
21. **ENTIRE AGREEMENT:** This contract and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral or written statements or agreements. This contract, any addenda hereto, and the Vendor's quotes are incorporated herein by reference as though set forth verbatim.
- All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.
22. **AMENDMENTS:** This contract may be amended only by written amendments duly executed by Onslow County Schools and the Vendor. The NC Division of Purchase and Contract shall give prior approval to any amendment to a contract awarded through that office.
23. **WARRANTY:** The Vendor warrants to Onslow County Schools that all equipment furnished under this specification will be new, of good material and workmanship, and agrees to replace promptly any part or parts which by reason of defective material or workmanship shall fail under normal use, free of negligence or accident, for a minimum period of twelve (12) months from date put in operation. Such replacement shall include all parts, labor, and transportation cost to the location where equipment is down, free of any charge to the owner or his representative.
24. **REGISTERED SEX OFFENDERS:** Vendor acknowledges that Onslow County Schools prohibits anyone registered or required to register as a sex offender from being present on any Onslow County Schools property for any reason, whether before, during or after school hours. Vendor expressly agrees that it, and any of its employees, will comply with this policy and acknowledges that any individuals that violate this policy are subject to removal from Onslow County Schools' property by Onslow County Schools and/or law enforcement officials and may also be subject to criminal prosecution. Vendor could be removed from additional opportunities that may become available with Onslow County Schools.
- If Vendor, any of Vendor's employees, or any of Vendor's subcontractors or employees of subcontractors will have any direct interaction with students, then Vendor or the subcontractor must (i) on an annual basis conduct a check of the N.C. Sex Offender and Public Protection Registration Program, the N.C. Sexually Violent Predator Registration Program and the National Sex Offender Registry for all such employees; and (ii) prohibit individuals listed on such registries from being on Onslow County Schools property.
25. **WAIVER:** The failure to enforce or the waiver by Onslow County Schools of any right, breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.
26. **FORCE MAJEURE:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations as a result of events beyond its reasonable control, including without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event of act of God.
27. **E-VERIFY:** Contractor shall comply with the requirements of Article 2 of Chapter 64 of the NC General Statutes. Further, if Contractor utilizes a subcontractor, Contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the NC General Statutes.

11/1/2015