

CITY OF HOUSTON

Flexible Spending Accounts Program Administration
REQUEST FOR PROPOSAL (RFP)
SOLICITATION NO.: S66-T25539

Date Issued: August 28, 2015

Pre-Proposal Conference: Monday, September 14, 2015 at 2:00 PM
Learning and Development Center
4501 Leeland Street
Houston, TX 77023

Proposal Questions Deadline: Friday, September 18, 2015 at 2:00 P.M. CST

Solicitation Due Date: Monday, September 28, 2015 at 2:00 P.M. CST

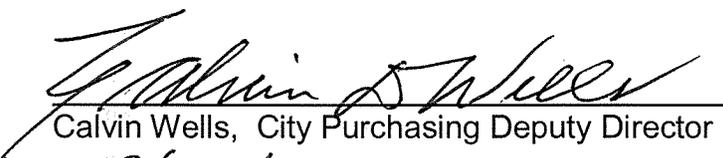
Solicitation Contact Person: shannon.pleasant@houstontx.gov
832-393-8741

Project Summary: Three year contract, with two one-year options to administer the City of Houston Health and Dependent Care Flexible Spending Accounts program.

Project Description: This City wishes to contract with a Flexible Spending Account Administrator, who will manage the entire program including claims / reimbursement processing, debit cards, administrative / member services and utilization reporting.

NIGP Code: 948-48 952-58 953-52 958-56 961-62 962-58 948-07

MWBE Goal: 0%


Calvin Wells, City Purchasing Deputy Director

8/26/15
Date

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PART I – GENERAL INFORMATION

A. General Information

The City of Houston is the fourth largest city in the United States and the largest city in the state of Texas. The Houston City Council is responsible for approving the voluntary flexible spending account benefits for its active full-time employees. The City, as an employer, has an employee population of more than 21,000 full time employees.

Employees pay the full cost through payroll deductions 24 times per year. The Flexible Spending Account (FSA) program is part of the annual enrollment period in March, for a May 1 effective date. New employees can enroll in all City-sponsored benefit during an orientation session at the time of hire. The majority of employees who elect the FSA program do so on a pre-tax basis. Administration of the current FSA program is currently provided by American Family Life Assurance Company of Columbus, Georgia (AFLAC). This contract will expire on 4/30/2016.

Current employee enrollment in the Health Care FSA is 3,148 and in the Dependent Care FSA is 75. Total election amount for the Health Care FSA in the current plan year is \$3,910,195 and for the Dependent Care FSA in the current year is \$319,561.

B. City of Houston Background

The City of Houston is the fourth largest City in the United States comprising 26 Departments with multiple locations throughout the City. The City has approximately 23,000 (full time, part time and temporary) employees with approximately 500 employees involved in the procurement and/or contracting process. Contracts where the City must pay in excess of \$50,000 are routed to City Council for approval. The annual volume of contracts and purchase orders issued in the City in the last five years has ranged from 19,000 to 23,000.

As a point of reference, prospective proposers may refer to the City's Procurement Manual and corresponding Purchasing Manual (currently under revision) for current processes. The manuals can be accessed at <http://purchasing.houstontx.gov/docs/SPD%20Procurement%20Manual.pdf> and http://purchasing.houstontx.gov/docs/Procurement_Manual.pdf. The City is looking for additional opportunities to streamline its processes through the implementation of technology.

C. Solicitation Schedule

Listed below are the important dates for this Request for Proposal (RFP).

<u>EVENT</u>	<u>DATE</u>
Date of RFP Issued	Friday, August 28, 2015
Pre-Proposal Conference	Monday, September 14, 2015
Questions from Proposers Due to City	Friday, September 18, 2015
Proposals Due from Proposers	Monday, September 28, 2015
Notification of Intent to Award (<i>Estimated</i>)	November 2015
Council Agenda Date (<i>Estimated</i>)	December 2015
Contract Start Date	May 1, 2016

PART II – SCOPE OF WORK/TECHNICAL SPECIFICATIONS

A. Overview

The City desires to contract with an organization having significant experience in administering Flexible Spending Account (FSA) programs to large municipalities and city governments. The organization must have prior experience directly related to the services requested in this RFP and must be able to demonstrate clearly their ability to:

- Offer state-of-the-art program management and administration services;
- Communicate benefit determination to employees in a timely manner;
- Provide timely reporting; and
- Offer innovative solutions to manage and optimize the FSA program.

The voluntary Flexible Spending Account program will be a pre-tax benefit. The agreement is for a term of three (3) years beginning May 1, 2016, with two one-year renewal options.

B. Specifics

The City of Houston wishes to contract with a Flexible Spending Account (FSA) administrator to provide best in FSA program design and manage the entire FSA process inclusive of claims processing, administrative services, and reporting on the program for the City. FSA program includes Health Care Flexible Spending Account (HFSA) and Dependent Care Flexible Spending Account (DFSA), programs combine hereafter as FSA. The FSA administrator and its activities will be under the review and approval of the Human Resources Director or the director's designee. The FSA administrator shall agree in writing to comply with the Scope of Services.

Services specifically required in the management and payment of FSA claims submitted by or on behalf of covered City employees are listed below. The Flexible Spending Account administrator shall:

1. Ensure claims are managed effectively, efficiently and consistent with the scope of services.
2. Provide high quality, efficient program administration and services that will minimize work input and administrative time of the City benefit staff.
3. Provide exceptional customer service to City employees enrolled in the FSA program.
4. Provide standard and ad-hoc reporting to the City, on an agreed upon schedule.
5. Establish and maintain records and books of account for all claims submitted. All such records and books of account shall be accessible to City representatives and other authorized individuals.
6. Allow the City the right to audit at no charge for the vendor's required internal support.
7. Effective communication lines shall be established to assist employees and the City.
8. Provide enrollment forms, claim forms, change forms, and other forms to the City as may be necessary for the management of claims under the terms of the FSA program. No forms shall be used or distributed without the prior written approval of the City.

9. In the event that a claim is denied in whole or in part, notify the claimant of such denial clearly describing:
 - a. the specific reason for the denial;
 - b. the specific reference to the FSA program provision on which the denial is based;
 - c. any additional materials or information needed for the claimant to appeal his/her claim;
 - d. an explanation of the FSA program's claims review procedure; and
 - e. the time frame during which the appeal must be filed.
10. If a payment is made to or on behalf of an ineligible person or an overpayment is made, attempt to recover such payment or overpayment by a single written request to such person. Take such further action with regard thereto as may be directed in writing by the Human Resources Director.
11. Provide the reports indicated below:
 - a. Monthly Paid Claims Report;
 - b. Ad Hoc Reports as requested by the City;
 - c. Quarterly and YTD Comprehensive Claims Reports
 - d. Performance Guarantee Reports
12. Prepare and file any forms and reports required to be furnished to the state or federal government or any subdivision or agency thereof on behalf of the City.
13. Produce and distribute to Claimants the appropriate forms (W-2P Forms) for preparation of individual income tax returns on an annual basis.
14. Advise the City on any new or pending local, state, or federal legislation that may have an impact on the FSA program.
15. Ensure that the City's electronic data and information is confidential and the electronic storage and processing systems are protected.
16. As program provisions change, provide information electronically and printed booklets describing the program.
17. Provide administrative services to the City on behalf of Participants.
18. Timely update Participant's records.
19. Maintain accurate Participant Health Care Reimbursement balances, and Health Care Reimbursement contribution information.
20. Activate and deactivate Participant Debit Cards.
21. Respond to Participant inquiries and provide appropriate notices regarding Participant Health Care Reimbursement Accounts and actions taken in relation thereto.
22. Provide administrative services to the City, including maintaining accurate FSA (Health Care Reimbursement) account balance information, providing reports of Health Care Reimbursement

balances related to Health Care Reimbursement Funding Account activities and initiating draws against the Health Care Reimbursement Funding Account.

23. Provide a call center support for Participants to report lost or stolen Debit Cards, and resolve all servicing issues related to the Card, except transaction or merchant disputes.
24. Provide to the City, for distribution to the Participants, information concerning proper use of the Card.
25. Provide and operate an Electronic Payment Card Program (the "Card Program") in accordance with the IRS guidance applicable to debit card processing of Qualified Eligible Medical Expenses.

C. Administration of the Card Program

Services specifically required in the management and payment of FSA claims submitted by or on behalf of covered City employees are listed below with respect to an Electronic Payment Card Program (the "Card Program"). The Flexible Spending Account administrator shall:

1. Provide a card to each Participant in the City's FSA Health Care Reimbursement program.
2. Provide Participants with reimbursement forms and instructions for filing request for benefits under the City's FSA Health Care Reimbursement program.
3. Provide Participants with written monthly reports summarizing the previous period's Health Care Reimbursement program Card activities.
4. Provide electronic and/or paper Health Care Reimbursement requests and expeditiously review such requests to determine amounts due and payable with respective requests.
5. Deactivate FSA (Health Care Reimbursement program) Card in a timely manner (but in no event more than two (2) business days) upon notice that the Participant is no longer employed by the City or has ceased to satisfy the eligibility requirements of the City Health Care Reimbursement program.
6. Request and require substantiation of expenses paid with the Card in accordance with IRS Card Guidance by notifying Participants electronically or in writing as to requests denied or deemed ineligible for reimbursement not meeting the City's FSA Health Care Reimbursement program requirements.

D. FSA Program Design

This is a brief summary of the FSA program that is currently offered for the Health Care Flexible Spending Account and Dependent Care Flexible Spending Account:

- Minimum contribution of \$240 a year
- Maximum contribution of \$2,500 a year
- Maximum bi-weekly contribution of \$104.16
- Maximum permitted rollover of \$500 into next year
- Provide preloaded debit cards for members
- Allow members to check card balance
- FSA administrator provides a Mobile App that allows for account balance verification and submittal of receipts for claims processing
- Notifications and alerts to members through mail and mobile devices via a valid email or phone number

Participant salary reductions for the FSA are made bi-weekly from the employees' paychecks.

Services of the third-party administrator include:

- Educate employees on the benefits of the FSA program and their respective responsibilities
- Enroll employees in the FSA program
- Account for deposits and disbursements from each employee's account
- Prepare monthly deposit and claims reports for the City's Department of Finance and for each participant
- Respond to employees inquiries
- Report forfeitures under the FSA program to reduce administrative expenses
- Perform all periodic government reporting, filing and amendments as required by law
- Perform all discrimination tests, reporting, filing and amendments as required by law
- Obtain legal assistance as necessary

E. Eligible Employees

Eligible employees are all full-time active employees who are scheduled to work at least 30 hours per week as designated in the city SAP payroll system and elected officials.

F. Effective Date of Coverage for Employees

- The effective date of the voluntary Flexible Spending Account for eligible employees is May 1, 2016.
- New employees are eligible on the 1st or 16th of the month after they complete 31 days of continuous full-time active work with the City.
- Dependent Care Flexible Spending Account is effective on a calendar-year-basis.

PART III – MINIMUM PERSONNEL QUALIFICATIONS

Please refer to Exhibit A to complete the Questionnaire for Minimum Personnel Qualifications.

PART IV – EVALUATION AND SELECTION PROCESS

An evaluation committee will evaluate responsive proposals in accordance with the evaluation criteria listed below. Upon completion of the evaluation, the committee may develop a short list of Proposer(s) meeting the technical competence requirements. Price proposals of those shortlisted will be evaluated once they are identified by the evaluation committee. The shortlisted Proposer(s) may be scheduled for a structured oral presentation, demonstration and/or interview. Such presentations will be at no cost to the City of Houston. At the end of the oral presentation, demonstration and/or interview, the evaluation of the shortlisted Proposer(s) will be completed. However, the evaluation committee reserves the right to issue letter(s) of clarification when deemed necessary to any or all Proposer(s). The oral presentations, demonstrations and/or interviews may be recorded and/or videotaped.

A. Interviews/ Oral Presentations

The City reserves the right to request and require that each Proposer provide a final presentation of its proposal at a scheduled date and time. No Proposer is entitled to this opportunity, and no proposer will be entitled to attend presentations of any other Proposer. The purpose of the presentations is to provide the evaluation committee with additional requested information and responses to any outstanding questions. If necessary, Proposers may be required to make more than one presentation or demonstration.

B. Selection Process

Upon review of all information provided by shortlisted proposers, the evaluation committee will make a recommendation for selection to City officials. The City reserves the right to check references on any projects performed by the proposer whether provided by the proposer or known by the City. Selected proposal will be submitted for approval by the appropriate City officials. The City of Houston intends to select a proposal that best meets the needs of the City and provides the overall best value. Upon approval of the selected Proposer, a contract will be executed by the appropriate City officials.

C. Best and Final Offer

City reserves the right to request a Best and Final Offer from finalist Proposer(s), if it deems such an approach necessary. In general, the Best and Final Offer would consist of updated costs as well as answers to specific questions that were identified during the evaluation of Proposals.

If City chooses to invoke this option, Proposals would be re-evaluated by incorporating the information requested in the Best and Final Offer document, including costs, and answers to specific questions presented in the document. The specific format for the Best and Final Offer would be determined during evaluation discussions. Turnaround time for responding to a Best and Final Offer document is usually brief (i.e. less than three (3) business days).

D. EVALUATION CRITERIA

1. Responsiveness of Proposal

Proposal shall be responsive to all material requirements that will enable the evaluation committee to evaluate proposals in accordance with the evaluation criteria so as to make a recommendation to City officials.

2. Technical Competence

Extent to which proposed solution(s) meet the needs of the City including, but not limited to, the desired requirements as expressed in this RFP.

- a. Qualifications and experience of the Proposer to successfully achieve and perform the services as evidenced by experience on proposal of similar scope of magnitude.
- b. Qualifications and specialized experience of key personnel to successfully achieve the project as evidenced by experience in similar role.
- c. Quality of proposed implementation plan, timetable, and operational plan including understanding of the scope of services/technical requirements, FSA program design, ability to manage the entire FSA process inclusive of claims processing, training, transition plan, and understanding of the services required in this proposal.
- d. Qualifications and specialized experience with information technology to safeguard confidential information obtained from clients.
- e. Quality, comprehensiveness and adequacy of proposal.

- f. Level of M/WBE participation.
- g. Financial stability of the Proposer.
- h. Reasonableness and extent of contract exceptions taken by Proposer.

3. Price Proposal

- a. Reasonableness and competitiveness of the overall prices; and
- b. Rate guarantees.

PART V – SUBMISSION OF PROPOSAL

A. Instructions for Submission

- 1. Number of Copies. Eight (8) printed copies of the proposal, one marked as “Original” and signed in BLUE ink. Along with eight (8) electronic thumb drives, in a sealed envelope bearing the assigned solicitation number to:

City Purchasing Deputy Director
Strategic Procurement Division - City Hall
901 Bagby, Suite B300
Houston, Texas 77002

Third Party Administrator (TPA) services for Health and Dependent Care Flexible Spending Accounts (*clearly labeled on the box*)

The City of Houston shall bear no responsibility for submitting responses on behalf of any Proposer. Proposer(s) may submit their Proposal to the City Purchasing Deputy Director's Office any time prior to the stated deadline.

ProposalTech. In addition to the eight (8) copies submitted to the City Purchasing Deputy Director (as directed above), a complete proposal must be submitted online via ProposalTech.

The online RFP via ProposalTech can be found at ProposalTech's website (www.proposaltech.com). Proposers may view an online training demo of the system and its functionality. This demo takes approximately five (5) minutes and will greatly improve your understanding of the system's functionality. Click on the link to view the flash demo: www.proposaltech.com/help/docs/response_training.

Please note that the entire RFP process will be conducted via the Internet, using the ProposalTech application. Proposal specifications are contained in the electronic RFP (eRFP), which can be found at ProposalTech's website (www.proposaltech.com). Proposers will need to register and login to the system at www.proposaltech.com/home/app.php/register using the username and password that are supplied to you in the invitation email you will receive from ProposalTech.

To access the eRFP, Proposers must first take the following actions:

- If you receive the ProposalTech invitation email, you have been identified as a contact for the RFP. If you will not be a contact, please ensure that this communication is routed appropriately. This information may not have been sent to any other parties within your organization.

- If you would like to schedule a ProposalTech training session please contact ProposalTech at (877) 211-8316, choose option 4, or send an email to support@proposaltech.com.
- The primary contact should access the website to initiate review and acceptance of the RFP.
- Primary contacts will be responsible for establishing permission to access the RFP for other individuals in their organizations. Multiple users from your organization may access the RFP simultaneously.

Detailed instructions for the completion and submission of your proposal will be found in the eRFP. ProposalTech will be available to assist you with technical aspects of utilizing the system. Any questions regarding content should be submitted using the "Ask Questions" feature on the main RFP page for general questions and the "Related Q&A" link under specific content for specific questions.

2. Time for submission. Proposals shall be submitted no later than the date and time indicated for submission in this RFP. Late submittals will not be considered and will be returned unopened.
3. Format. Proposal should be left-bound with information on both sides of the page when appropriate. Material should be organized following the order of the submission requirements separated by labeled tabs. Expensive paper and bindings are discouraged since no materials will be returned.
4. Complete submission. Proposers are advised to carefully review all the requirements and submit all documents and information as indicated in this RFP. Incomplete proposals may lead to a proposal being deemed non responsive. Non-responsive proposals will not be considered.
5. Packaging and Labeling. The outside wrapping/envelope shall clearly indicate the RFP Title and date and time for submission. It shall also indicate the name of the proposer. The Price Proposal shall be submitted in a separate sealed envelope. The envelope shall clearly identify the content as "Price Proposal". All other submission requirements shall be included with the Technical Proposal.
6. Timely delivery of Proposals. The Proposal, including the Technical Proposal, the Pricing Proposal and signed Cover Letter, must be delivered by hand or sent to the City of Houston City Purchasing Deputy Director through U.S. Mail or other available courier services to the address shown on the cover sheet of this RFP. Include the RFP number on any package delivered or sent to the City Purchasing Deputy Director and on any correspondence related to the Proposal. If using an express delivery service, the package must be delivered to the designated location. Packages delivered by express mail services to other locations might not be re-delivered in time to be considered.
7. Late Proposals. The proposer remains responsible for ensuring that its Proposal is received at the time, date, place, and office specified. The City assumes no responsibility for any Proposal not so received, regardless of whether the delay is caused by the U.S. Postal Service, the courier delivery service, or some other act or circumstance.

B. Submission Requirements

1. Cover letter. The cover letter shall be signed by an authorized representative of the Proposer. The letter should indicate the Proposer's commitment to provide the services proposed.
2. Executive Summary. The executive summary should include a brief overview of the solution proposed, the overall strategy for implementation, the key personnel who will be responsible for seeing the project through completion.

3. Qualifications of the Proposer. Include a brief description of the organization’s track record, including history, number of employees, number of years in business, and a list of projects relevant to this RFP. Provide a list of references where a similar solution was implemented. Include the name of the contact person, name of the organization, dollar value of the project, address, telephone number and email address. Please provide at least three (3) references. The City is primarily interested in clients with similar needs and comparable size. Please complete Exhibit A – Questionnaire
4. Qualifications of Key Personnel: Provide chronological resumes of the key personnel that will be assigned to the project. Please provide at least three (3) references of projects where key personnel performed in a similar role as that proposed for this project. Please complete Exhibit A – Questionnaire.
5. Financial Stability. Provide the audited financial statements or Federal Tax Forms Filed to the Internal Revenue Service (IRS) for the past two fiscal years. At a minimum, include the letter of opinion, balance sheet, schedules, and related auditor’s notes. Please complete Exhibit A – Questionnaire.
6. Exceptions to Standard Contract. Submit any exceptions to the standard contract and include the rationale for taking the exception. Provide rationale for objections to the Article. Such exceptions will be considered when evaluating the Proposer’s response to this RFP. If you are proposing alternate language, please include the language for consideration.
7. Legal Actions. Provide a list of any pending litigation and include a brief description of the reason for legal action. Please complete Exhibit A – Questionnaire.
8. Conflict of Interest. Provide information regarding any real or potential conflict of interest. Failure to address any potential conflict of interest upfront may be cause for rejection of the proposal.
9. Other. Submit any information the Proposer deems pertinent to demonstrating its qualifications to perform the services being requested such as memberships in any professional associations, documents, examples, and others.
10. Forms and Certifications. Complete all forms and certifications attached, as appropriate.
11. Price Proposal: In a separate sealed envelope marked, “Price Proposal, S66 –T25539, submit eight (8) copies of your Price Proposal to include all necessary cost elements. Please complete Exhibit B – Cost Quotation Sheet.

C. RFP Requirements for All Proposers

All Proposers must comply with the following conditions with regard to the RFP. Confirm your capability to provide each of the following with a **response of yes or no.**

Requirements	Response	Comments on “ NO” responses
A. Proposer agrees no commissions, overrides, and/or broker’s fees shall be paid to any party. All rates should be quoted net of commission.	Yes/No.	
B. Proposer must be licensed to do business in the states in which	Yes/No.	

the City has plan members. Such license, where required, must be in effect on or before a contract is awarded.		
C. Vendor awarded a contract shall agree to a jurisdiction and venue of the State of Texas in the event of legal disputes.	<i>Yes/No.</i>	
D. All City information disclosed during the proposal and contract term must remain strictly confidential unless disclosure is required by law.	<i>Yes/No.</i>	
E. The Proposer will provide renewal rates and fee computations (after the initial term) by October 1 st of each program year, which shall then be subject to negotiation and written agreement between the parties.	<i>Yes/No.</i>	
F. Selected Proposer shall assist in program communication and open enrollment for City employees at designated sites.	<i>Yes/No.</i>	
G. The City will have the right to terminate the contract with or without cause given a 90-day notice period, without penalty to the City.	<i>Yes/No.</i>	
H. The City will not be held responsible for time or miscellaneous costs incurred by the Proposer in association with any audit process, including all costs associated with provision of data, audit finding response reports, or systems access, provided to the City or its designee by the Proposer during the life of the contract. Note: This includes any data required to transfer the business to another vendor.	<i>Yes/No.</i>	
I. The City reserves the right to review, edit, or customize any communication from the Proposer to its membership prior to distribution.	<i>Yes/No.</i>	
J. The Proposer agrees to allow the City to review customer service quality issues to the resolution endpoint.	<i>Yes/No.</i>	
K. There are NO additional fees (beyond those outlined in the Cost Quotation Sheet) required to provide the services outlined in this RFP. Any mandatory fees must be clearly outlined in the Cost Quotation Sheet.	<i>Yes/No.</i>	
L. Any award will be made to that Proposer whose proposal is deemed to be in the best interest of the City. The City reserves the right to reject any and all proposals.	<i>Yes/No.</i>	

<p>M. Any costs incurred by Proposer in preparing or submitting proposal are the Proposer’s sole responsibility. Proposal will not be returned.</p>	<p><i>Yes/No.</i></p>	
<p>N. Proposer’s services must adhere to relevant federal and state laws and regulations.</p>	<p><i>Yes/No.</i></p>	
<p>O. Proposer must have experience providing FSA coverage for groups having 5,000 or more covered employees.</p>	<p><i>Yes/No.</i></p>	
<p>P. Proposer must provide a minimum of three client references for whom Proposer has successfully provided similar services within the last five years.</p>	<p><i>Yes/No.</i></p>	
<p>Q. Proposer must agree that there will be no minimum participation requirements for the FSA program.</p>	<p><i>Yes/No.</i></p>	
<p>R. Proposer must have a financial strength of B+ or better. Companies must submit a current Financial Statement with their proposal and a re-insurance agreement containing a direct access clause with a company or companies that have a Best or equivalent rating of B+ or better. The City of Houston reserves the right to award to a company with a Best or equivalent rating of less than B+.</p>	<p><i>Yes/No</i></p>	

D. Data and Reporting Requirements

Proposers must contractually agree to provide (at no additional cost) the reports listed in this RFP within 30 days of the end of each program quarter, as well as an annual summary within 30 days of the end of the program year. Other reporting requests and reporting conditions will be discussed prior to finalizing the contract. Proposers must certify that this proposal can meet the conditions outlined below.

Requirements	Response	Comments on "NO" responses
A. The Proposer has the ability to monitor, track, and report member claims and member service data as requested by the City.	Yes/No.	
B. The Proposer must process, store, manage and transmit all personal health information (PHI) in compliance with HIPAA.	Yes/No.	
C. The Proposer must provide operational and system redundancy and disaster recovery procedures to ensure disruption-free service.	Yes/No.	
D. The Proposer must provide a quarterly and annual report within 30 days of the end of the quarter/ Program Year of performance guarantee results, the methodology of those measurements and a proposed corrective action plan to improve any deficiencies.	Yes/No.	

Part VI – SPECIAL CONDITIONS

A. No Contact Period

Neither Proposer(s) nor any person acting on Proposer(s)'s behalf shall attempt to influence the outcome of the award by the offer, presentation or promise of gratuities, favors, or anything of value to any appointed or elected official or employee of the City of Houston, their families or staff members. All inquiries regarding the solicitation are to be directed to the designated City Representative identified on the first page of the solicitation. Upon issuance of the solicitation through the pre-award phase and up to the date the City Secretary publicly posts notice of any City Council agenda containing the applicable award, aside from bidder's formal response to the solicitation, through the pre-award phase, written requests for clarification during the period officially designated for such purpose by the City Representative, neither Proposers(s) nor persons acting on their behalf shall communicate with any appointed or elected official or employee of the City of Houston, their families or staff through written or oral means in an attempt to persuade or influence the outcome of the award or to obtain or deliver information intended to or which could reasonably result in an advantage to any bidder. However, nothing in this paragraph shall prevent a bidder from making public statements to the City Council convened for a regularly scheduled session after the official selection has been made and placed on the City Council agenda for action, or to a City Council committee convened to discuss a recommendation regarding the solicitation.

B. Equal Opportunity Employment

The City of Houston Ordinance Section 15-17 establishes Equal Employment Opportunity Contract Compliance requirements for all City of Houston contracts involving the expenditure of Fifty Thousand Dollars (\$50,000) or more. Any contract for professional services that results from this RFP will provide that the failure to carry out the requirements set forth in the City of Houston Equal Employment Opportunity Program shall constitute a breach of contract and may result in termination of the agreement or contract. In addition, the City may take any such additional remedy as deemed appropriate.

C. Protests

A protest shall comply with and be resolved, according to the City of Houston Procurement Manual http://purchasing.houstontx.gov/docs/Procurement_Manual.pdf and rules adopted thereunder. Protests shall be submitted in writing and filed with both, the City Attorney and the Solicitation contact person. A pre-award protest of the RFP shall be received five (5) days prior to the solicitation due date and a post-award protest shall be filed within five (5) days after City Council approval of the contract award.

1. A protest must be filed in accordance with the timing requirements set forth herein and must include:
 - a. the name, address, telephone number and email address of the protestor;
 - b. the number of the solicitation;
 - c. all information confirming that the protestor is an interested party;
 - d. a written statement of the grounds for the protest and the law, ordinance, or policy alleged to have been violated. The statement should be accompanied by relevant supporting documentation and the relief requested;
 - e. all information confirming the timeliness of the protest; and
 - f. the signature of the protestor.

Protests shall be submitted to:

Shannon Pleasant, Sr. Procurement Specialist
City of Houston
901 Bagby, B300
Houston, TX 77002

2. The City recognizes three types of protests:
 - a. Protests regarding solicitation (Pre-Bid Protest)

Any protest regarding a solicitation published by the City shall be filed no later than five (5) days before the opening of bids (if a competitive bid) or due date for submittals or proposals (if an RFP/RFQ), as appropriate. Any protest filed after the due date raising issues regarding the solicitation will not be considered.
 - b. Protests regarding the evaluation of bids, qualifications, or proposals (Pre-Award Protest)

Any protest regarding the evaluation of bids, qualifications, or proposals by the City must be filed no later than ten (10) days after:
opening of bids (if a bid); or
due date (if RFQ/RFP); or
notification that the interested party's bid or proposal has been rejected.
Any protest received after the deadline will not be considered.
 - c. Protests regarding award of contract (Post-Award Protest)

Upon receipt of a timely and properly filed protest regarding the award of a contract, the City will not issue a notice to proceed or submit an order for goods until the protest has been resolved, provided such delay will not be detrimental to the interests of the City.

D. Indemnity and Release

1. RELEASE

PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

2. INDEMNIFICATION

PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- a. PRIME CONTRACTOR/SUPPLIERS AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1.1-1.3, "PRIME CONTRACTOR/SUPPLIER") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- b. THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT; AND
- c. THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT.
- d. PRIME CONTRACTOR/SUPPLIER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. PRIME CONTRACTOR/SUPPLIER'S INDEMNIFICATION IS LIMITED TO \$500,000 PER OCCURRENCE. PRIME CONTRACTOR/SUPPLIER SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.
- e. CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE CITY) FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED. CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT. WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND

DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

3. INDEMNIFICATION-SUBCONTRACTOR'S INDEMNITY

CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

4. INDEMNIFICATION PROCEDURES:

- a. Notice of Claims. If the City or Prime Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 30 days. The notice must include the following:
 - i. a description of the indemnification event in reasonable detail,
 - ii. the basis on which indemnification may be due, and
 - iii. the anticipated amount of the indemnified loss.
- b. This notice does not stop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 30-day period, it does not waive any right to indemnification except to the extent that Prime Contractor/Supplier is prejudiced, suffers loss, or incurs expense because of the delay.
- c. Defense of Claims.
 - i. Assumption of Defense. Prime Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Prime Contractor/Supplier shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Prime Contractor must advise the City as to whether or not it will defend the claim. If Prime Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.
 - ii. Continued Participation. If Prime Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Prime Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Prime Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

E. Insurance Requirements

Contractor shall maintain the following insurance coverages in the following amounts:

<u>COVERAGE</u>	<u>LIMIT OF LIABILITY</u>
Workers' Compensation	<ul style="list-style-type: none"> • Statutory for Workers' Compensation
Employer's Liability	<ul style="list-style-type: none"> • Bodily Injury by Accident \$100,000 (each accident) • Bodily Injury by Disease \$100,000 (policy limit) • Bodily Injury by Disease \$100,000 (each employee)
Commercial General Liability: Bodily and Personal Injury; Products and Completed Operations Coverage	<ul style="list-style-type: none"> • Bodily Injury and Property Damage, Combined Limits of \$1,000,000 each Occurrence, and \$1,000,000 aggregate
Automobile Liability	<ul style="list-style-type: none"> • \$1,000,000 combined single limit for (1) Any Auto or (2) All Owned, Hired, and Non-Owned Autos
Professional Liability	<ul style="list-style-type: none"> • \$1,000,000 per occurrence; \$1,000,000 aggregate
Excess Liability applicable to CGL, and Auto	<ul style="list-style-type: none"> • \$1,000,000
Aggregate Limits are per 12-month policy period unless otherwise indicated.	

Insurance Coverage. At all times during the term of this Contract and any extensions or renewals, Contractor shall provide and maintain insurance coverage that meets the Contract requirements. Prior to beginning performance under the Contract, at any time upon the Director's request, or each time coverage is renewed or updated, Contractor shall furnish to the Director current certificates of insurance, endorsements, all policies, or other policy documents evidencing adequate coverage, as necessary. Contractor shall be responsible for and pay (a) all premiums and (b) any claims or losses to the extent of any deductible amounts. Contractor waives any claim it may have for premiums or deductibles against the City, its officers, agents, or employees. Contractor shall also require all subcontractors or consultants whose subcontracts exceed \$100,000 to provide proof of insurance coverage meeting all requirements stated above except amount. The amount must be commensurate with the amount of the subcontract, but no less than \$500,000 per claim.

Form of insurance. The form of the insurance shall be approved by the Director and the City Attorney; such approval (or lack thereof) shall never (a) excuse non-compliance with the terms of this Section, or (b) waive or estop the City from asserting its rights to terminate this Contract. The policy issuer shall (1) have a Certificate of Authority to transact insurance business in Texas, or (2) be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+, and a Best's Financial Size Category of Class VI or better, according to the most current Best's Key Rating Guide.

Required Coverage. The City shall be an Additional Insured under this Contract, and all policies, except Professional Liability and Worker's Compensation, shall explicitly name the City as an Additional Insured. The City shall enjoy the same coverage as the Named Insured without regard to other Contract provisions. Contractor waives any claim or right of subrogation to recover against the City, its officers, agents, or employees, and each of Contractor's insurance policies except professional liability must contain coverage waiving such claim. Each policy, except Workers' Compensation and Professional Liability, must also contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Contract. If professional liability coverage is written on a "claims made" basis, Contractor shall also provide proof of renewal each year for two years after substantial completion of the Project, or in the alternative: evidence of extended reporting period coverage for a period of two years after substantial completion, or a project liability policy for the Project covered by this Contract with a duration of two years after substantial completion.

Notice. CONTRACTOR SHALL GIVE 30 DAYS' ADVANCE WRITTEN NOTICE TO THE DIRECTOR IF ANY OF ITS INSURANCE POLICIES ARE CANCELED OR NON-RENEWED. Within the 30-day period, Contractor shall provide other suitable policies in order to maintain the required coverage. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default.

Contractor shall maintain in effect certain insurance coverage and shall furnish certificates of insurance, including any necessary endorsements, in duplicate form, before beginning performance under this Contract or Purchase Order. All policies except Professional Liability and Worker's Compensation shall explicitly name the City as an additional insured. The City shall enjoy the same coverage as the Named Insured without regard to other Contract provisions. The issuer of any policy shall (1) have a Certificate of Authority to transact insurance business in Texas or (2) be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition of Best's Key Rating Guide. Contractor shall maintain the following insurance coverages in the following amounts:

- (1) Commercial General Liability insurance including Contractual Liability insurance:
 - \$500,000 per occurrence; \$1,000,000 aggregate
- (2) Worker's Compensation including Broad Form All States endorsement:
 - Statutory amount
- (3) Professional Liability
 - \$1,000,000 per occurrence; \$1,000,000 aggregate
- (4) Automobile Liability insurance
 - \$1,000,000 combined single limit
- (5) Excess Liability applicable to CGL, and Auto
 - \$1,000,000
- (6) Aggregate Limits are per 12-month policy period unless otherwise indicated.

All insurance policies must require on their face, or by endorsement, that the insurance carrier waives any rights of subrogation against the City. **CONTRACTOR SHALL GIVE 30 DAYS' ADVANCE WRITTEN NOTICE TO THE DIRECTOR IF ANY OF ITS INSURANCE POLICIES ARE CANCELED OR NON-RENEWED.** Within the 30-day period, Contractor shall provide other suitable policies in order to maintain the required coverage. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may immediately suspend Contractor from any further performance under this Contract and begin procedures to terminate for default.

The City shall be an Additional Insured under this Contract. Contractor waives any claim or right of subrogation to recover against the City, its officers, agents, or employees, and each of Contractor's insurance policies except professional liability must contain coverage waiving such claim. All certificates of insurance submitted by Contractor shall be accompanied by endorsements for Additional Insured coverage in favor of the City for Commercial General Liability and Automobile Liability policies; and waivers of subrogation in favor of the City for Commercial General Liability, Automobile Liability, and Worker's Compensation/Employers' Liability policies. The Director will consider all other forms on a case-by-case basis.

•NOTE: INSURANCE IS NOT REQUIRED IF ITEM IS DROP-SHIPED BY MANUFACTURER OR IS DELIVERED BY COMMON CARRIER.

PART VII – INSTRUCTIONS TO PROPOSERS

A. Pre-Proposal Conference

A Pre-Proposal Conference will be held Monday, September 14, 2015 at 2:00 PM at the Learning and Development Center, 4501 Leeland Street Houston, TX 77023. Interested Proposer(s) should plan to attend. It will be assumed that potential Proposer(s) attending this meeting have reviewed the RFP in detail, and are prepared to bring up any substantive questions not already addressed by the City. Attendance is not mandatory.

B. Additional Information and Specification Changes

Requests for additional information and questions should be posted on ProposalTech at the website www.proposaltech.com no later than 2:00 P.M. CST, September 18, 2015. The City of Houston shall provide written responses to all questions received in ProposalTech before the submittal deadline. The written responses shall be posted expeditiously on ProposalTech in the form of a Letter of Clarification. Proposer(s) shall be notified of any changes in the specifications contained in this RFP. It is the Proposer(s) responsibility to frequently check ProposalTech for updates and clarifications.

C. Letter(s) of Clarification

1. All Letters of Clarification and interpretations to this Solicitation shall be in writing and posted to the ProposalTech website. Any Letter of Clarification(s) or interpretation that is not in writing shall not legally bind the City of Houston. Only information supplied by the City of Houston in this RFP or provided on ProposalTech should be used in preparing Proposal responses.
2. The City does not assume responsibility for the receipt of any Letters of Clarification sent to Proposer(s).

D. Examination of Documents and Requirements

1. Each Proposer shall carefully examine all RFP documents and thoroughly familiarize themselves with all requirements prior to submitting a Proposal to ensure that the Proposal meets the intent of this RFP.
2. Before submitting a Proposal, each Proposer shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and affecting the requirements of this RFP. Failure to make such investigations and examinations shall not relieve the Proposer from obligation to comply, in every detail, with all provisions and requirements of the RFP.

E. Exceptions to Terms and Conditions

1. All exceptions included with the Proposal shall be submitted in a clearly identified separate section of the Proposal in which the Proposer clearly cites the specific paragraphs within the RFP where the Exceptions occur. Any Exceptions not included in such a section shall be without force and effect in any resulting contract unless such Exception is specifically referenced by the City Purchasing Deputy Director, City Attorney, Director(s) or designee in a written statement. The Proposer's preprinted or standard terms will not be considered by the City as a part of any resulting contract.
2. All Exceptions that are contained in the Proposal may negatively affect the City's Proposal evaluation based on the evaluation criteria as stated in the RFP, or result in possible rejection of Proposal.

F. Post-Proposal Discussions with Proposer(s)

It is the City's intent to commence final negotiation with the Proposer(s) deemed most advantageous to the City. The City reserves the right to conduct post-Proposal discussions with any Proposer(s).

G. Performance Guarantees

The City's Performance Guarantees are to encourage the vendor to provide superior performance. Vendors failure to meet the performance guarantees will result in financial penalties. Please review and complete Exhibit C – Performance Guarantees and confirm your agreement with the proposed service level targets and associated guarantees. Higher assessments than required are encouraged.

H. Required Forms to be Submitted with Proposal

1. Offer and Submittal, List of References and List of Proposed Subcontractors (Exhibit I)
2. Fair Campaign Ordinance Form "A" (Exhibit III)
3. Affidavit of Ownership or Control (Exhibit IV)
4. Anti-Collusion Statement (Exhibit V)
5. Conflict of Interest Questionnaire (Exhibit VI)

I. Required Forms to be Submitted by Awarded Vendor Only

1. Insurance Requirements and Sample Insurance Certificate (Exhibit VII)
2. Drug Compliance Agreement Attachment "A", Drug Policy Compliance Declaration Attachment "B" and Contractor's Certification of No Safety Impact Positions Attachment "C" and "D" (Exhibit VIII)
3. City Contractors' Pay or Play Acknowledgement Form and Pay or Play Certificate Agreement, Play or Pay Program Acknowledgment Form "1" (Exhibit IX)
4. Hire Houston First Affidavit (Download Copy at <http://www.houstontx.gov/obo/hirehoustonfirst.html> and submit to Office of Business Opportunity, Houston Business Solutions Center via e-mail to houstonbsc@houstontx.gov or fax to 832-393-0650 or submit copy with proposal.
5. Requested Information Outlined in the Scope of Work and Other Additional Relevant/Supporting Information or Alternate Proposals.

PART VIII – REQUIRED EXHIBITS TO BE SUBMITTED WITH PROPOSAL

EXHIBIT A

1.0 Questionnaire

1.1 References

1.1.1 Provide three current customer references. For at least one of these references, proposers must cover at least one group plan of 5,000 or more employees. The City is interested in working with carriers that have experience with and a history of providing Flexible Spending Account benefits to public sector plans of similar size.

The City may contact any customer of the vendor, whether or not included in the vendor’s reference list, and use such information in the evaluation process. Provide the following for each reference:

	Reference 1	Reference 2	Reference 3
a. Customer Name	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
b. Length of time serviced	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
c. Number of covered members	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
d. Description of services	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
e. Name of contact	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
f. Contact title	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
g. Contact phone number	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
h. Contact email	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
i. Contact address	<i>Unlimited.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>

1.1.2 Provide this same information for two (2) former customers. Include the reason the engagement ended.

	Reference 1	Reference 2
a. Customer Name	<i>Unlimited.</i>	<i>Unlimited.</i>
b. Length of time serviced	<i>Unlimited.</i>	<i>Unlimited.</i>
c. Number of covered members	<i>Unlimited.</i>	<i>Unlimited.</i>
d. Description of services	<i>Unlimited.</i>	<i>Unlimited.</i>
e. Name of contact	<i>Unlimited.</i>	<i>Unlimited.</i>
f. Contact title	<i>Unlimited.</i>	<i>Unlimited.</i>
g. Contact phone number	<i>Unlimited.</i>	<i>Unlimited.</i>
h. Contact email	<i>Unlimited.</i>	<i>Unlimited.</i>
i. Contact address	<i>Unlimited.</i>	<i>Unlimited.</i>
j. Reason engagement ended	<i>Unlimited.</i>	<i>Unlimited.</i>

1.2 Company Overview

1.2.1 Provide the information below on the individual(s) that would be responsible for managing the City's contracts.

	Contact 1	Contact 2
a. Name	<i>Unlimited.</i>	<i>Unlimited.</i>
b. Title	<i>Unlimited.</i>	<i>Unlimited.</i>
c. Address	<i>Unlimited.</i>	<i>Unlimited.</i>
d. Email	<i>Unlimited.</i>	<i>Unlimited.</i>
e. Phone number	<i>Unlimited.</i>	<i>Unlimited.</i>
f. Length of time servicing accounts	<i>Unlimited.</i>	<i>Unlimited.</i>

1.2.2 Have you been cited or fined or been threatened with citation or financial penalties within the last five years by federal or state regulators for violations of federal or state laws and/or failure to implement regulations?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 250 words.</i> If yes, please explain.
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1.2.3 Is your firm involved in any current litigation against or from the City? If yes, please describe.

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 250 words.</i> If yes, please describe.
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1.2.4 Does a former City employee (executive level) work for your firm? If yes, in what capacity and how long?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> If yes, in what capacity and how long.
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1.2.5 Do you anticipate any mergers, transfers of company ownership, sales management reorganizations, or departures of key personnel within the next three years that might affect your ability to carry out your proposal if it results in a contract with the City of Houston?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 250 words.</i> If yes, please explain.
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1.2.6 What other business(es) is your organization engaged in besides administration of flexible spending accounts? (*Limited to 100 words.*)

1.2.7 How many clients are you currently administering?

1.2.8 How many additional clients are expected during the next six (6) months?

1.2.9 What percentage of your organization’s total revenue is represented by the administration of Flexible Spending Account?

1.2.10 How do you differentiate your Flexible Spending Account services from your competitors? (*Limited to 250 words.*)

1.3 Experience

1.3.1 Describe your organization’s experience administering and providing Flexible Spending Account benefits. (*Limit response to 250 words.*)

1.3.2 How many years has your organization provided Flexible Spending Account benefits?

1.3.3 Provide statistics regarding your Flexible Spending Account business for five (5) clients with more than 5,000 employees. Please complete the table below:

	Employer Group Client: Name and Address:	Benefits Manager: Phone number:	State, Public, or Private Employer	Number Enrolled –	Length of time as a client
1		<i>Unlimited.</i>	<i>State, Public, Private.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
2		<i>Unlimited.</i>	<i>State, Public, Private.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
3		<i>Unlimited.</i>	<i>State, Public, Private.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
4		<i>Unlimited.</i>	<i>State, Public, Private.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>
5		<i>Unlimited.</i>	<i>State, Public, Private.</i>	<i>Unlimited.</i>	<i>Unlimited.</i>

1.3.4 Please complete the table below with the most recent financial ratings for your company:

	Rating	Date
A.M. Best	<i>Unlimited.</i>	<i>Unlimited.</i>
Moody's	<i>Unlimited.</i>	<i>Unlimited.</i>
Standard and Poor's	<i>Unlimited.</i>	<i>Unlimited.</i>

1.3.5 Confirm that you will provide the most recent two (2) years of your firm's audited financial statements. Provide the requested financial statements as an attachment to your proposal.

<i>Single, Pull-down list.</i> 1: Confirmed 2: Not confirmed	<i>Attachment</i>
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1.4 Account Management and Membership Services

1.4.1 Please provide an organizational chart for the proposed account manager and team responsible for the overall service and day-to-day operations for this account. Attach the following information for each team member:

- a. Biography
- b. Primary responsibility on this account
- c. Years of experience
- d. Years with the company
- e. Proposed percent of time dedicated to this account (based on 40 hour work-week)
- f. Office location

1.4.2 Provide the geographic location of the Member Service unit(s) that will be servicing the City's members.

Location Address	
a. Claims Processing	<i>Unlimited.</i>
b. Customer Service Inquiries	<i>Unlimited.</i>

1.4.3 Confirm each of the following:

	Response	Comments
a. At a minimum, Proposers will operate a member services unit with a toll-free dedicated member services telephone line to answer questions from the City's members between the hours of 8:00 am and 6:00 pm CT, Monday through Friday.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
b. Proposers will have special telephone features for the hearing impaired.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
c. Resources will be available to assist non-English speaking callers through a translation service.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
d. Will this member services unit be dedicated? If not, please explain.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
e. All calls will be recorded and kept for 24 months and made available for the City's review upon request.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
g. Members will be able to opt out of the Interactive Voice Response (IVR) to speak with a live Member Services Representative.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
h. Members will be able to access user-friendly website to obtain: account balances and transactions, general information, enrollment application, claim and other forms, changes, ability to contact member/customer service, request for information, status of claim(s), and payments.	<i>Single, Pull-down list.</i> 1: Confirmed, 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required

1.5 Contractual Issues

1.5.1 Confirm that you agree that throughout the life of the contract, and for twelve (12) months following termination, any direct contact, direct marketing, educational material, and other communication made to plan participants, other than responses to individual member inquiries regarding individual member service issues, are strictly prohibited without the authorization and approval of the City.

<i>Single, Pull-down list.</i> 1: Confirmed 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
--	--

1.5.2 Do you agree to a three-year contract with fixed rates as shown in the Cost Quotation Section of your proposal, regardless of participation levels or any other variables?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.6 Claims Administration

1.6.1 Provide the following information regarding the claim offices that will be servicing the City:

	Response
Location	<i>Unlimited.</i>
Average Claims/Processor/Day	<i>Unlimited.</i>
Annual Claim Volume	<i>Unlimited.</i>
Percentage of claims that are auto-adjudicated	<i>Unlimited.</i>

1.6.2 Briefly describe the claim review and payment process from date of receipt to check issued. (*Limited to 250 words.*)

1.6.3 What is the time limit for filing a claim? (*Limited to 100 words.*)

1.6.4.a If a claim is denied, what will the written notice provide? (*Limited to 250 words.*)

1.6.4.b What are the claimants' options to appeal denied claims? (*Limited to 250 words.*)

1.6.5 What are your quality control standards for payment accuracy (both frequency and dollar amount)? (*Limited to 250 words.*)

1.6.6 How is performance monitored? (*Limited to 250 words.*)

1.6.7 How would you report performance to the City? (*Limited to 100 words.*)

1.6.8 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. (*Limited to 250 words.*)

1.6.9 Describe what type of government filing is required for the program and whether or not you will be responsible for handling these legal requirements. *(Limited to 250 words.)*

1.6.10 Will a specific service representative be assigned?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.6.11 Confirm that you will be able to enroll newly hired employees at the time of hire as opposed to the annual enrollment period.

<i>Single, Pull-down list.</i> 1: Confirmed 2: Not confirmed	<i>Limited to 100 words.</i> Nothing required
--	--

1.6.12 Describe your enrollment procedures (i.e. paper, online, etc.). *(Limited to 100 words.)*

1.6.13 Describe your intended billing process. *(Limited to 250 words.)*

1.6.14 What are your security and backup procedures? *(Limited to 250 words.)*

1.6.15 What is your Claim Turnaround Time (number of business days from receipt)?

1.6.17 Provide your Claim Accuracy—Total Claims for 2013 and 2014

1.6.18 What claim documentation will you require from an employee in order to pay the claim? *(Limited to 250 words.)*

1.6.19 What is the frequency in which you process claims and reimburse employee expenses? *(Limited to 100 words.)*

1.6.20.a What happens when an ineligible item is charged along with a covered prescription at the point of service? *(Limited to 250 words.)*

1.6.20.b If a physician writes a prescription for an over-the-counter item that may or may not be covered by the program what do you do at the point of service? *(Limited to 100 words.)*

1.6.21 Do you respond to all written inquiries from covered members?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> If yes, what is turnaround time?
---	--

1.6.22 Can your system accommodate changes to an employee's election during the plan year due to:

Employee status changes	Yes/No	Limited to 100 words. Nothing required
Family status changes	Yes/No	Limited to 100 words. Nothing required
Changes in eligibility	Yes/No	Limited to 100 words. Nothing required

1.6.23 Can your system communicate to payroll for changes in deductions due to:

Changes in employee elections	Yes/No	Limited to 100 words. Nothing required
Employee pay frequency changes	Yes/No	Limited to 100 words. Nothing required

1.6.24 How does your system enroll newly eligible employees on a regular basis throughout the plan year and properly update or reconcile with payroll? (Limited to 250 words.)

1.6.25 How does your system check for duplicate expenses and verify plan maximums? (Limited to 250 words.)

1.6.26 Describe your method for ensuring that benefit terminations are adequately and timely handled. (Limited to 250 words.)

1.6.27 How does the system track termination dates? (Limited to 100 words.)

1.6.28 What safeguards exist against an ineligible plan member attempting to gain reimbursement under the program? (Limited to 250 words.)

1.6.29 Can your system flag certain recurring expenses that have already been substantiated? (i.e., will you require substantiation of a recurring eligible expense each time the expense is submitted or only the first time the expense is submitted?)

Single, Pull-down list. 1: Yes 2: No	Limited to 100 words. Nothing required
--	---

1.6.30 Does the system maintain covered dependent and beneficiary information?

Single, Pull-down list. 1: Yes 2: No	Limited to 100 words. Nothing required
--	---

1.6.31 Can your system administer multiple plan years concurrently and allow dual records during the first months of a new plan year?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.6.32 Can your system automatically enroll eligible employees who elect to continue to participate?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.6.33 How are deposits to participants' accounts entered to the system?

On-line	Yes/No	<i>Limited to 100 words.</i> Nothing required
Participants' elections	Yes/No	<i>Limited to 100 words.</i> Nothing required
Payroll extract	Yes/No	<i>Limited to 100 words.</i> Nothing required
Other	Yes/No	<i>Explain</i> <i>Limited to 100 words</i>

1.6.34.a How are requests that exceed a participant's account balance handled? (*Limited to 100 words.*)

1.6.34.b Is the employee paid the balance of his account and the unpaid request amount pended for future automatic payments?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> If no, please explain.
---	--

1.6.35 Will you allow employees to submit reimbursement requests for eligible expenses incurred during the prior year, for a period of no more than 90 days after the end of the plan year?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.6.36 Describe the way in which the banking arrangement works:

a. Include timing of the call for funds. (*Limited to 100 words.*)

b. Any deposit amount required in the account. (*Limited to 100 words.*)

c. The terms (weekly, monthly); how it is determined and any interest earned on the deposit or on amounts held in the account until checks are cashed. (*Limited to 100 words.*)

1.6.37 What correction facilities are provided to reverse deposits, requests, payments? (*Limited to 250 words.*)

1.6.38 Do you offer direct deposit of reimbursements?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> If yes, are there additional fees that apply, please explain.
---	---

1.6.40 Do you agree to perform nondiscrimination testing to ensure the plan is in compliance with IRS Code Section 125 on an annual basis?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.6.41 Is there an additional cost for the annual testing?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.6.42 If the City wanted the above non-discrimination testing performed at an additional time other than annually, what would you charge? (*Limited to 100 words.*)

1.6.43 How often would reimbursements be made to participants?

- a. Health care reimbursement account? (*Limited to 100 words.*)
- b. Dependent care reimbursement account? (*Limited to 100 words.*)
- c. Can the schedule be different for different benefits? (*Limited to 100 words.*)
- d. Do you require an initial deposit? (*Limited to 100 words.*)
- e. If so, how much? (*Limited to 100 words.*)

1.7 Enrollment

1.7.1 Describe your enrollment system:

	Response
a. Hardware	<i>Limited to 100 words.</i>
b. Software	<i>Limited to 100 words.</i>
c. Eligibility – detail how updates are made	<i>Limited to 100 words.</i>

1.7.2 Provide a copy of all enrollment forms. (Attachment.)

1.7.3 Describe your methods for administration given that this will be a payroll deduction product. (Limited to 100 words.)

1.7.4 After employees are enrolled, what items will the participant receive from you? (Limited to 100 words.)

1.8 Communication and Education

1.8.1 Please complete the following table:

	Response
a. Describe how your organization can effectively communicate with and educate the City's employees on the new Flexible Spending Account program.	Limited to 100 words.
b. What strategies do you recommend to optimize participation in the program?	Limited to 100 words.
c. Provide samples of communication, educational and enrollment materials for each proposed product.	Attachments

1.9 Financial Guarantees

1.9.1 Please use the template in Exhibit B to complete the Cost Quotation Sheet, and include all costs and fees. You may add rows as needed, to accommodate all fees.

Note to Proposers: Officers will be held accountable for accuracy/validity of all answers.

1.10 Ability to Administer a Debit Card

1.10.1 Do you have the ability to administer a debit card?

Single, Pull-down list. 1: Yes 2: No	Limited to 100 words. Nothing required
--	---

1.10.2 What types of claims cannot be administered via your debit card? (Limited to 250 words.)

1.10.3 Can dependent care expenses be administered by using the debit card?

Single, Pull-down list. 1: Yes 2: No	Limited to 100 words. Nothing required
--	---

1.10.4 What debit card transactions would prompt a request for claim substantiation?

1.10.5 When you offer a debit card, do you require that all reimbursements be administered via this debit card or will you accept hard copy claim submissions from participants?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.11 Reporting and On-Line Access to Information

1.11.1 Confirm that you will provide the City copies of standard monthly, quarterly, and annual reports.

<i>Single, Pull-down list.</i> 1: Confirm 2: Not confirmed	<i>Limited to 100 words.</i> If not confirmed, please explain
--	--

1.11.2 Provide samples of these reports and note whether they are available electronically.

1.11.3 At what frequency would your management reports be produced? (*Limited to 100 words.*)

1.11.4 Are you are capable of providing reports more frequently, when requested?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> Nothing required
---	--

1.11.5 Is there a cost differential if reports are produced on other frequencies?

<i>Single, Pull-down list.</i> 1: Yes 2: No	<i>Limited to 100 words.</i> If yes, please describe.
---	--

1.11.6 What is your ad-hoc reporting process and what is the typical turnaround time? (*Limited to 250 words.*)

1.11.7 Describe in detail your organization's on-line reporting capabilities and available reports for the proposed Flexible Spending Account program. Please provide sample reports. (*Limited to 250 words and attachments.*)

1.12 Performance Guarantees

1.12.1 The City is interested in negotiating performance standards results with the selected vendor to encourage the vendor to provide superior performance. Vendor's failure to meet the performance guarantee(s)

would result in financial penalties. Please review and complete Exhibit C Performance Guarantees and confirm your agreement with the proposed service level targets and associated guarantees.

1.13 Implementation

1.13.1 Describe your implementation process and provide a proposed implementation plan and timetable, beginning with the award of business to the completion of the work, assuming a plan effective date of May 1, 2016 and indicate any “drop dead” dates in order to meet the proposed effective date. Include: *(Attachment)*

- a. Steps required to implement the program;
- b. Role played by the City and vendor;
- c. Vendor enrollment files; and
- d. Contact information (name, title, credentials, phone, fax, address, email) of personnel assigned to each step of the implementation process.

1.13.2 Describe the most frequent problems your organization has encountered during implementation of new Flexible Spending Account programs of this size. How were they resolved?

Problems During Implementation	Resolution
<i>Limited to 100 words.</i>	<i>Limited to 100 words.</i>
<i>Limited to 100 words.</i>	<i>Limited to 100 words.</i>
<i>Limited to 100 words.</i>	<i>Limited to 100 words.</i>
<i>Limited to 100 words.</i>	<i>Limited to 100 words.</i>

EXHIBIT B

COST QUOTATION SHEET

FSA Administration/Health Care/Dependent Care Program		
Indicate which FSA program this cost quotation sheet is applicable. If cost quotes are different submit separate cost quotation sheet for each program.		
Health Care	Yes/No	
Dependent Care	Yes/No	
Both	Yes/No	
Service	Frequency	Vendor Response
Set-up Fee	1x	Text
Annual Fee (Year 3 and thereafter)	Annually	Text
Group Administrative Fee	Monthly	Text
Per Participant Fee	Monthly	Text
Minimum Fee	Monthly	Text
Additional Services		
Claims Processing/Payment		Daily
Accept Electronic Enrollment File		Text
Direct Deposit		Text
Employer Web Services - enrollment		Text
Employer Web Services - payment lookup		Text
Debit Cards Administration Fee	Monthly	Text
Debit Cards	1x or monthly	Initial Debit Card: \$____ Additional Debit Card: \$____ Duplicate Debit Card: \$____
(Response Format = \$____ (#) at no cost, \$____ for each additional)		
Plan Doc/SPD Preparation	1x	Text
Amendments	1x	Text
Management Reports*		
Ad Hoc Reports*		
Discrimination Testing	1x	Text
Enrollment Kits	Per kit	Text
Communication Materials*		Text
Open Enrollment Support		
Postage		
Printing of Forms*		
Toll Free Customer Service		Text
Other (Specify)		
Minimum Participation/Fee Requirement		
Fee Guarantee	(Response Format = Years)	Text

*Specify if additional charges for customization.

EXHIBIT C

Performance Guarantees

Please confirm your agreement with the proposed service level targets and associated guarantees or explain why you disagree.

Performance Guarantee	Amount at Risk	Agree or Disagree (explain)
Correctly pay 98% of all clean reimbursement requests within five (5) work days after the receipt of reimbursement documents.	\$1,000/quarter	
Correctly pay 100% of all clean reimbursement requests within ten (10) work days after the receipt of reimbursement documentation.	\$1,000/quarter	
Notify the Participant in writing that a claim has been denied within ten (10) work days after the receipt of reimbursement request.	\$500/quarter	
Provide the Participant with monthly reports summarizing previous period debit card activities within ten (10) calendar days after the preceding month.	\$500/quarter	
Maintain accurate FSA Health Care Reimbursement account balance information by providing the Director or designee with monthly reports within ten (10) calendar days after the preceding month such as Deposit and Claims Reports and others as mutually agreed.	\$500/quarter	
Deactivate debit card immediately upon notice from the City of Houston, but in no event more than two (2) business days of a receipt of notice that Participant is no longer employed by City or has ceased to satisfy eligibility requirements. Provide monthly report of deactivated debit cards.	\$500/quarter	
New Vendor Only	Amount at Risk	Agree or Disagree (explain)
Implementation Services to be measured and reported one (1) month after the effective date of each plan year beginning May 1: (a) Mail debit cards for receipt by Participant by May 1; (b) Service Center ready to respond to inquiries effective on or before May 1; (c) Toll free customer service telephone number operational on or before May 1; (d) all claims administration services to be fully operational by effective date of May 1.	\$1,000 annually	
Provide Administration Manual to the City of Houston on or before contract effective date.	\$250 (one-time)	

Note: A “clean reimbursement request” is one in which all documentation needed by the Vendor has been executed and submitted.

EXHIBIT I
OFFER AND SUBMITTAL, REFERENCES, PROPOSED SUBCONTRACTORS

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**EXHIBIT I
OFFER AND SUBMITTAL**

NOTE: PROPOSAL MUST BE SIGNED AND NOTARIZED BY AN AUTHORIZED REPRESENTATIVE(S) OF THE PROPOSER, WHICH MUST BE THE ACTUAL LEGAL ENTITY THAT WILL PERFORM THE CONTRACT IF AWARDED AND THE TOTAL FIXED PRICE CONTAINED THEREIN SHALL REMAIN FIRM FOR A PERIOD OF ONE-HUNDRED EIGHTY (180) DAYS.

"THE RESPONDENT WARRANTS THAT NO PERSON OR SELLING AGENCY HAS BEEN EMPLOYED OR RETAINED TO SOLICIT OR SECURE THIS CONTRACT UPON AN AGREEMENT OR UNDERSTANDING FOR A COMMISSION, PERCENTAGE, BROKERAGE, OR CONTINGENT FEE, EXCEPTING BONA FIDE EMPLOYEES. FOR BREACH OR VIOLATION OF THIS WARRANTY, THE CITY SHALL HAVE THE RIGHT TO ANNUL THIS AGREEMENT WITHOUT LIABILITY OR, AT ITS DISCRETION, TO DEDUCT FROM THE CONTRACT PRICES OR CONSIDERATION, OR OTHERWISE RECOVER THE FULL AMOUNT OF SUCH COMMISSION, PERCENTAGE, BROKERAGE OR CONTINGENT FEE."

Respectfully Submitted:

(Print or Type Name of Contractor – Full Company Name)

City of Houston Vendor No. (If already doing business with City):

Federal Identification Number:

By: _____
(Signature of Authorized Officer or Agent)

Printed Name: _____

Title: _____

Date: _____

Address of Contractor: _____
Street Address or P.O. Box

City – State – Zip Code

Telephone No. of Contractor: (_____) _____

Signature, Name and title of Affiant: _____

(Notary Public in and for)

County, Texas

My Commission Expires: _____ day of _____ 20_____

**EXHIBIT I
REFERENCES
LIST OF PREVIOUS CUSTOMERS**

1. Name: _____ Phone No.: _____
Address: _____
Contract Award Date: _____ Contract Completion Date: _____
Contract Name/Title: _____
Email: _____
System Description: _____

2. Name: _____ Phone No.: _____
Address: _____
Contract Award Date: _____ Contract Completion Date: _____
Contract Name/Title: _____
Email: _____
System Description: _____

3. Name: _____ Phone No.: _____
Address: _____
Contract Award Date: _____ Contract Completion Date: _____
Contract Name/Title: _____
Email: _____
System Description: _____

4. Name: _____ Phone No.: _____
Address: _____
Contract Award Date: _____ Contract Completion Date: _____
Contract Name/Title: _____
Email: _____
System Description: _____

**EXHIBIT II
MINORITY AND WOMAN BUSINESS ENTERPRISES (MWBE)**

INTENTIONALLY OMITTED FROM THE RFP

EXHIBIT III
FAIR CAMPAIGN ORDINANCE

The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office (including elected officers and officers-elect). All respondents to this invitation to bid must comply with Houston Code of Ordinances Chapter 18 as amended relating to the contribution and solicitation of funds for election campaigns. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Candidates for city office may neither solicit nor receive contributions except during a period commencing 270 calendar days prior to an election date for which a person is a candidate for such office and ending 90 calendar days after the election date, including run-off elections if such candidate is on the ballot.

Further, it shall be unlawful either for any person who submits a Bid or Proposal to contribute or offer any contribution to a candidate or for any candidate to solicit or accept any contribution from such person for a period commencing at the time of posting of the City Council Meeting Agenda including an item for the award of the Contract and ending upon the 30th day after the award of the Contract by City Council.

For the purposes of this Ordinance, a **Contract** is defined as each Contract having a value in excess of \$30,000 that is let by the City for professional services, personal services, or other goods or services of any other nature whether the Contract is awarded on a negotiated basis, request for Proposal basis, competitive Proposal basis or formal sealed competitive Bids. The term **Contractor** includes proprietors of proprietorships, partners having an equity interest of 10% or more of partnerships, (including limited liability partnerships and companies), all officers and directors of corporations (including limited liability corporations), and all holders of 10% or more of the outstanding shares of corporations.

A STATEMENT DISCLOSING THE NAMES AND BUSINESS ADDRESSES EACH OF THOSE PERSONS WILL BE REQUIRED TO BE SUBMITTED WITH EACH BID OR PROPOSAL FOR A CITY CONTRACT.

Completion of the attached form entitled "**Contractor Submission List**" will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

**EXHIBIT III
FORM "A": FAIR CAMPAIGN**

CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE

The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office (including elected officers-elect) during a certain period of time prior to and following the award of the Contract by the City Council. The term "Contractor" Includes proprietors of proprietorships, partners or joint venture's having an equity interest of 10 percent or more for the partnership or Joint venture, and officers, directors and holders of 10 percent or more of the outstanding shares of corporations. A statement disclosing the names and business addresses of each of those persons will be required to be submitted with each Bid or Proposal for a City Contract. See Chapter 18 of the Code of Ordinances, Houston, Texas, for further information.

This list is submitted under the Provisions of Section 18-36(b) of the Code of Ordinances, Houston, Texas, in connection with the attached Proposal, submission or bid of:

Firm or Company Name: _____

Firm or Company Address: _____

The firm/company is organized as a (Check one as applicable) and attach additional pages if needed to supply the required names and addresses:

SOLE PROPRIETORSHIP

Name _____ Address _____
Proprietor

A PARTNERSHIP

List each partner having equity interest of 10% or more of partnership (if none state "none"):

Name _____ Address _____
Partner

Name _____ Address _____
Partner

A CORPORATION

List all directors of the corporation (if none state "none"):

Name _____ Address _____
Director

Name _____ Address _____
Director

Name _____ Address _____
Director

List all officers of the corporation (if none state "none"):

Name _____
Officer Address

Name _____
Officer Address

Name _____
Officer Address

List all individuals owning 10% or more of outstanding shares of stock of the corporation (if none state "none"):

Name _____
Address

Name _____
Address

Name _____
Address

I certify that I am duly authorized to submit this list on behalf of the firm, that I am associated with the firm in the capacity noted below and that I have personal knowledge of the accuracy of the information provided herein.

Preparer

Printed Name

Title

Note: This list constitutes a **government record** as defined by § 37.01 of the Texas Penal Code.

8/23/01

**EXHIBIT IV:
CONTRACTOR OWNERSHIP DISCLOSURE ORDINANCE**

City Council requires knowledge of the identities of the owners of entities seeking to Contract with the City in order to review their indebtedness to the City prior to entering Contracts. Therefore, all respondents to this Invitation to Bid must comply with Houston Code of Ordinances Chapter 15, as amended (Sections 15-122 through 15-126) relating to the disclosure of owners of entities bidding on, proposing for or receiving City contracts. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Contracting entity means a sole proprietorship, corporation, non-profit corporation, partnership, joint venture, limited liability company, or other entity that seeks to enter into a contract requiring approval by the Council but excluding governmental entities.

A contracting entity must submit at the time of its Bid or Proposal, an affidavit listing the full names and the business and residence addresses of all persons owning five percent or more of a contracting entity or, where a contracting entity is a non-profit corporation, the full names and the business and residence addresses of all officers of the non-profit corporation.

Completion of the "**Affidavit of Ownership or Control**," included herein, and submitted with the Official Bid or Proposal Form will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

**EXHIBIT IV:
AFFIDAVIT OF OWNERSHIP OR CONTROL**

ORIG. DEPT.: _____

FILE/I.D. NO.: _____

INSTRUCTION: ENTITIES USING AN ASSUMED NAME SHOULD DISCLOSE SUCH FACT TO AVOID REJECTION OF THE AFFIDAVIT. THE FOLLOWING FORMAT IS RECOMMENDED: CORPORATE/LEGAL NAME DBA ASSUMED NAME.

STATE OF _____ §

§

AFFIDAVIT OF OWNERSHIP OR CONTROL

COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared

_____ [FULL NAME] (hereafter "Affiant"),

_____ [STATE TITLE/CAPACITY WITH CONTRACTING ENTITY] of

_____ [CONTRACTING ENTITY'S

CORPORATE/LEGAL NAME] ("Contracting Entity"), who being by me duly sworn on oath stated as follows:

1. Affiant is authorized to give this affidavit and has personal knowledge of the facts and matters herein stated.

2. Contracting Entity seeks to do business with the City in connection with _____ [DESCRIBE PROJECT OR MATTER] which is expected to be in an amount that exceeds \$50,000.

3. The following information is submitted in connection with the proposal, submission or bid of Contracting Entity in connection with the above described project or matter.

4. Contracting Entity is organized as a business entity as noted below (check box as applicable).

FOR PROFIT ENTITY:

NON-PROFIT ENTITY:

SOLE PROPRIETORSHIP

NON-PROFIT CORPORATION

CORPORATION

UNINCORPORATED ASSOCIATION

PARTNERSHIP

LIMITED PARTNERSHIP

JOINT VENTURE

LIMITED LIABILITY COMPANY

OTHER (Specify type in space below)

5. The information shown below is true and correct for the Contracting Entity and all owners of 5% or more of the Contracting Entity and, where the Contracting Entity is a non-profit entity, the required information has been shown for each officer, *i.e.*, president, vice-president, secretary, treasurer, etc. **[NOTE: IN ALL CASES, USE FULL NAMES, LOCAL BUSINESS AND RESIDENCE ADDRESSES AND TELEPHONE NUMBERS. DO NOT USE POST OFFICE BOXES FOR ANY ADDRESS. INCLUSION OF E-MAIL ADDRESSES IS OPTIONAL, BUT RECOMMENDED. ATTACH ADDITIONAL SHEETS AS NEEDED.]**

Contracting Entity

Name: _____

Business Address **[NO./STREET]** _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address **[OPTIONAL]** _____

Residence Address **[NO./STREET]** _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address **[OPTIONAL]** _____

5% Owner(s) or More (IF NONE, STATE "NONE.")

Name: _____

Business Address **[NO./STREET]** _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address **[OPTIONAL]** _____

Residence Address **[NO./STREET]** _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address **[OPTIONAL]** _____

6. Optional Information

Contracting Entity and/or _____ [***NAME OF OWNER OR NON-PROFIT OFFICER***] is actively protesting, challenging or appealing the accuracy and/or amount of taxes levied against _____ [***CONTRACTING ENTITY, OWNER OR NON-PROFIT OFFICER***] as follows:

Name of Debtor: _____
Tax Account Nos. _____
Case or File Nos. _____
Attorney/Agent Name _____
Attorney/Agent Phone No. (____) _____
Tax Years _____

Status of Appeal [***DESCRIBE***] _____

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant’s knowledge and belief.

Affiant

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 20_____.

(Seal)

Notary Public _____

NOTE:

This affidavit constitutes a **government record** as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code. Attach additional pages if needed to supply the required names and addresses.

**EXHIBIT V
ANTI-COLLUSION STATEMENT**

Anti-Collusion Statement

The undersigned, as Proposer, certifies that the only person or parties interested in this Proposal as principals are those named herein; that the Proposer has not, either directly or indirectly entered into any Agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the award of this Contract.

Date

Proposer Signature

EXHIBIT VI CONFLICT OF INTEREST QUESTIONNAIRE

CONFLICT OF INTEREST QUESTIONNAIRE:

Chapter 176.006 of the Local Government Code (“the code”) requires a Vendor/Contractor to file a Conflict of Interest Questionnaire (CIQ) with the City.

NOTE: Vendors/Contractors or Agents should **not** complete the CIQ if a conflict, as described below, **does not exist. Only Vendors/Contractors or Agents that actually have a conflict, as described below, must file a CIQ.**

Who must file a CIQ?

A Vendor/Contractor or Agent of a Vendor/Contractor does not have to file a CIQ unless they intend to enter or is considering entering into a contract with the City or:

1. has an employment or other business relationship with the Local Government Officer/Family Member; or
2. has given the Local Government Officer/Family Member one or more gifts with the aggregate value exceeding \$250.00.

When must the Vendor/Contractor or Agent file a CIQ?

The completed CIQ must be filed with the City Purchasing Deputy Director not later than the 7th business day after the date the Vendor/Contractor or Agent:

1. begins discussions or negotiations to enter into a contract with the City;
2. submits an application to the City in response to a request for proposals or bids, correspondence, or any other writing related to a potential contract with the City;
3. becomes aware of an employment or other business relations with the Local Government Officer/Family Member;
4. becomes aware that he/she has given one or more gifts to the Local Government Officer/Family Member that exceeds \$250.00; or
5. an event that would make the CIQ incomplete or inaccurate.

What is a business relationship?

Under Chapter 176, business relationship means a connection between two or more parties based on the commercial activity of one of the parties. The term does not include:

1. a transaction that is subject to a rate or fee regulation by a governmental entity;
2. a transaction conducted at a price and subject to terms available to the public; or
3. a purchase or lease of goods or services from a person who is chartered by a state or federal agency and is subject to regular examination and reporting to that agency.

The Conflict of Interest Questionnaire is available for downloading from the Texas Ethics Commission’s website at <http://www.ethics.state.tx.us/forms/CIQ.pdf>.

The Original Conflict of Interest Questionnaire shall be filed with the Administration and Regulatory Affairs Department’s Record Administration (Calvin Wells, City Purchasing Deputy Director, 901 Bagby, Concourse Level, Houston, Texas 77002). Vendors and Contractors required to file shall include a copy of the form as part of the BID/Proposal package. **Any questions about filling out this form should be directed to your attorney.**

**EXHIBIT VI
CONFLICT OF INTEREST QUESTIONNAIRE**

<p>CONFLICT OF INTEREST QUESTIONNAIRE</p> <p>For vendor or other person doing business with local governmental entity</p>	<p>FORM CIQ</p>
<p>This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.</p> <p>A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.</p>	<p align="center">OFFICE USE ONLY</p> <hr/> <p>Date Received</p>
<p>1 Name of person who has a business relationship with local governmental entity.</p>	
<p>2 <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire.</p> <p>(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)</p>	
<p>3 Name of local government officer with whom filer has employment or business relationship.</p> <p align="center">_____</p> <p align="center">Name of Officer</p> <p>This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?</p> <p align="center"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?</p> <p align="center"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?</p> <p align="center"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D. Describe each employment or business relationship with the local government officer named in this section.</p>	
<p>4</p> <p align="center">_____</p> <p align="center">Signature of person doing business with the governmental entity</p> <p align="center">_____</p> <p align="center">Date</p>	

Adopted 06/29/2007