



Legislation Details (With Board Report)

**File #:** A 21-465      **Name:** Agreement between County and Flexible Benefit Administrators, Inc.

**Type:** BoS Agreement      **Status:** Passed - Human Resources Department

**File created:** 8/23/2021      **In control:** Board of Supervisors

**On agenda:** 8/31/2021      **Final action:** 8/31/2021

**Title:** a. Approve and Authorize the Contracts/Purchasing Officer to sign an Agreement between the County of Monterey and Flexible Benefit Administrators, Inc. for third-party administration services for the County’s Flexible Spending Accounts (FSA), Dependent Care Assistance Program (DCAP), and Voluntary Benefit Options (VBO) per Request for Proposals (RFP) #10792 with the initial Agreement term commencing January 1, 2022 through December 31, 2026, including the option to extend the Agreement for up to three (3) additional one (1)-year periods in an amount not to exceed \$950,000 over the term of the Agreement; and  
 b. Authorize the Contracts/Purchasing Officer to sign future Amendments to the Agreement where the Amendments do not significantly change the scope of work or cause an increase in the Agreement rates of more than ten percent (10%).

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Board Report, 2. Agreement between County and Flexible Benefit Administrators, Inc., 3. Completed Board Order Item No. 39

Date	Ver.	Action By	Action	Result
8/31/2021	1	Board of Supervisors	approved - human resources department	Pass

a. Approve and Authorize the Contracts/Purchasing Officer to sign an Agreement between the County of Monterey and Flexible Benefit Administrators, Inc. for third-party administration services for the County’s Flexible Spending Accounts (FSA), Dependent Care Assistance Program (DCAP), and Voluntary Benefit Options (VBO) per Request for Proposals (RFP) #10792 with the initial Agreement term commencing January 1, 2022 through December 31, 2026, including the option to extend the Agreement for up to three (3) additional one (1)-year periods in an amount not to exceed \$950,000 over the term of the Agreement; and  
 b. Authorize the Contracts/Purchasing Officer to sign future Amendments to the Agreement where the Amendments do not significantly change the scope of work or cause an increase in the Agreement rates of more than ten percent (10%).

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

a. Approve and Authorize the Contracts/Purchasing Officer to sign an Agreement between the County of Monterey and Flexible Benefit Administrators, Inc. for third-party administration services for the County’s Flexible Spending Accounts (FSA), Dependent Care Assistance Program (DCAP), and Voluntary Benefit Options (VBO) per Request for Proposals (RFP) #10792 with the initial Agreement term commencing January 1, 2022 through December 31, 2026, including the option to extend the Agreement for up to three (3) additional one (1)-year periods in an amount not to exceed \$950,000 over the term of the Agreement; and  
 b. Authorize the Contracts/Purchasing Officer to sign future Amendments to the Agreement where the Amendments do not significantly change the scope of work or cause an increase in the Agreement rates of more

than ten percent (10%).

SUMMARY/DISCUSSION:

On behalf of the Human Resources Department, the Contracts/Purchasing Office released Request for Proposals (RFP) #10792 on May 13, 2021 for the administration of the Flexible Spending Accounts (FSA), Dependent Care Assistance Program (DCAP), and Voluntary Benefit Options (VBO). The County received a total of five (5) Proposals for consideration. A selection panel reviewed and evaluated the proposals using the criteria outlined in the RFP. Flexible Benefit Administrators, Inc. was ranked the highest by the selection panel and is recommended.

The County currently has a contract with Flexible Benefit Administrators, Inc. as the third-party administrator of the Flexible Spending Accounts (FSA), Dependent Care Assistance Program (DCAP), and Voluntary Benefit Options (VBO). Approval of the recommended actions will enable the County to continue seamless utilization of this vendor.

The current enrollment for the Flexible Spending Accounts is 2,657; 129 for the Dependent Care Assistance Program; and 425 for the Voluntary Benefit Options. Under the current Agreement and at the current participation rate, the administration fee is approximately \$11,144 per month or \$133,728 per year. Under the new Agreement and at the current participation rate, the administration fee will be approximately \$8,783 per month or \$105,396 per year, thus providing the County \$28,332 in annual savings.

OTHER AGENCY INVOLVEMENT:

The Contracts/Purchasing Office coordinated the RFP. The offices of the County Counsel and Auditor-Controller have reviewed and approved the Agreement as to form and legality and fiscal provisions, respectively.

FINANCING:

The costs associated with this action are included in the Benefits Internal Service Fund (Fund 477), specifically in the Miscellaneous Benefits Unit (Unit 8418). The costs are allocated to departments based on employee count.

BOARD OF SUPERVISORS' STRATEGIC INITIATIVES:

The recommended action addresses the Board of Supervisors' Administration Strategic Initiative. It demonstrates the County's commitment to attract, recruit, and retain a diverse, highly skilled workforce that supports the mission of Monterey County.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Jose L. Tapia, Finance Manager, x5268

Approved by: Kim Moore, Assistant Director of Human Resources, x5353

Attachments:

Agreement between County and Flexible Benefit Administrators, Inc.