



Request for Proposals for Employee Benefits and Administration Services

**San Bernardino Superior Court
Human Resources Department
172 West Third Street, 2nd Floor
San Bernardino, CA 92415-0312**

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I. INTRODUCTION

- A. Purpose.** The Superior Court of California, County of San Bernardino, hereafter referred to as the “Court,” is seeking proposals from interested and qualified employee benefits and administration services vendors. This Request for Proposals (RFP) is being released to identify and establish agreements with one or more vendors for assisting the Court with the management of its various health and welfare programs. A list of these benefit plans and programs can be found in Exhibit 1. Based on the proposals received to this RFP, the Court will determine the number of employee benefits and administration services agreements it will pursue. The Court may approve an agreement with one exclusive Vendor or with multiple Vendors. The Court will award a master agreement to each Vendor for services provided under this RFP. No work is implied or guaranteed under the master agreement. The Court RFP will entertain proposals only for health and welfare consulting and actuarial services.
- B. Period of Agreement.** The term of any agreement(s) awarded as a result of this RFP will be for a period not to exceed two (2) years, with the possibility of two / one-(1) year extensions, unless terminated earlier as provided in Section V, Agreement Requirements, of this RFP.
- C. Minimum Vendor Requirements.** All Vendors must:
1. Be affiliated with a legal business authorized to do business in the State of California. All required permits and licenses must be in full force at the time of Vendor’s proposal is submitted and throughout the selection process.
 2. Have key personnel who have at least ten (10) years of experience in providing employee benefits consulting and actuarial services to employer groups with at least 5,000 employees and at least five (5) years of experience providing these services to public entities in the State of California.
 3. Have public sector clients who have a combined annual volume of twenty-five million dollars (\$25,000,000) or more in annual health and welfare premiums.
 4. Agree to comply with all of the Court’s Agreement Terms and Conditions as shown in Section V, Agreement Requirements, of this RFP.
 5. Meet other presentation and participation requirements listed in this RFP.
 6. Submit proposal in the manner as stated in Section VI of this RFP.

- D. Correspondence.** All written correspondence and other communications, including proposals, are to be submitted to:

Sheri San Miguel
Human Resources Department
Superior Court of California, County of San Bernardino
ATTN: RFP for Employee Benefits and Administration Services
172 West Third Street, 2nd Floor
San Bernardino, CA 92415-0312
E-mail: ssanmiguel@sb-court.org

- E. Admonition to Vendors.** During the proposal and evaluation process, the individual identified above is the sole contact point for any inquiries or information relating to this RFP. Other Court staff may provide information only if authorized by the Court's contact. Any violation of this procedure may be grounds for disqualification of the Vendor's proposal.
- F. Questions.** Questions regarding the contents of this RFP must be submitted in writing, via email, on or before 4:00 p.m. (Pacific Time) on February 18, 2010, and directed to the individual listed above. Questions submitted will be answered. The answers will be emailed to all Vendors participating in this RFP process and will be posted to the Court website at: <http://www.sbounty.gov/courts> by 4:00 p.m. on February 26, 2010 (tentative date).
- G. Proposal Submission Deadline.** All proposals must be physically received at the address listed above no later than 4:00 p.m. (Pacific Standard Time) on March 15, 2010. One (1) original and six (6) copies of the proposal, plus a copy on CD using Word version 6.0 or higher, must be received by the deadline. Facsimile or electronically transmitted (emailed) proposals will not be accepted since they do not contain original signatures. Postmarks will not be accepted in lieu of actual receipt. Late or incomplete proposals shall not be opened or considered. It is the responsibility of the Vendor to ensure that the RFP responses are received in a timely manner.

II. PROPOSAL TIMELINES

- | | | |
|----|--|------------------------------------|
| A. | Release of RFP for Employee Benefits and Administration Services | February 8, 2010 |
| B. | Deadline for submission of questions | February 18, 2010 |
| C. | Tentative date for Court's responses to questions | February 26, 2010 |
| D. | Deadline for Proposals | March 15, 2010
4:00 P. M. (PST) |
| E. | Tentative Interview date | March 30, 2010 |
| F. | Vendor selection | April 5, 2010 |
| G. | Final Agreement(s) due to Court | April 13, 2010 |
| H. | Tentative approval by the Executive Committee | April 15, 2010 |
| I. | Effective date of agreement(s) | May 1, 2010 |

This timetable is subject to change at the sole discretion of the Court. **Please note that Vendors are expected to have the appropriate staff available for finalist presentations (Interview date) as indicated above.**

III. PROPOSAL CONDITIONS

- A. Contingencies.** This RFP does not commit the Court to award an agreement or if an agreement is awarded, that any work is guaranteed or implied. The Court reserves the right to accept or reject any or all proposals if the Court determines it is in the best interest of the Court to do so. The Court will notify Vendors, in writing, if the Court rejects all proposals.
- B. Modifications to the RFP.** The Court reserves the right to issue addenda or amendments to this RFP. Any modifications to this RFP will be posted on the Court website. The Court also reserves the right to terminate this RFP process at any time.
- C. Acceptance or Rejection of Proposals.** Proposals shall remain open, valid and subject to acceptance up to one hundred eighty days (180) from the date the proposals are opened and recorded.

The Court realizes that conditions other than price are important and will award agreement(s) based on the proposal that best meets the needs of the Court. While price may not be the primary factor in the evaluation process, it is an important factor.

D. Proposal Submission. To be considered, all proposals must be submitted in the manner set forth in Section VI of this RFP. It is the Vendors' responsibility to ensure that their proposals are received on or before the specified deadline for submissions. All proposals and materials submitted become the property of the Court.

E. Inaccuracies or Misrepresentations. If, in the course of the RFP process or in the administration of a resulting agreement, the Court determines that the Vendor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the Court, the Vendor may be terminated from the RFP process or, in the event an agreement has been awarded, the agreement may be immediately terminated.

In the event of a termination under this provision, the Court is entitled to pursue any available legal remedies.

F. Incurred Costs. This RFP does not commit the Court to reimbursements or payment of any costs incurred by the Vendor in the preparation of a proposal in response to this request and Vendor agrees that all costs incurred in developing its proposal are the Vendor's responsibility.

G. Proposal Confidentiality. The Court is bound by California Rule of Court 10.500 (see: <http://www.courtinfo.ca.gov/rules/amendments/jan2010-2.pdf>) as to disclosure of its administrative records. If the information submitted contains material noted or marked as confidential and/or proprietary that, in the Court's sole opinion, meets the disclosure exemption requirements of Rule 10.500, then that information will not be disclosed pursuant to a request for public documents.

If the Court does not consider such material to be exempt from disclosure under Rule 10.500, the material may be made available to the public, regardless of the notation or markings. If a proposer is unsure if its confidential and/or proprietary material meets the disclosure exemption requirements of Rule 10.500, then it should not include such information in its proposal.

If any Vendor's proposal contains trade secrets or other information that is proprietary by law, the Vendor must notify the Court of its request to keep that information confidential.

The request to keep proprietary information confidential must be made in writing and attached to the envelope or other medium used to submit the proposal. The confidential or proprietary information shall be readily separable from the

response in order to facilitate eventual public inspection of the non-confidential portion of the response.

If necessary, the Court will review the request and notify the Vendors in writing of its decision as to whether confidentiality can be maintained under law. If confidentiality cannot be maintained, the Vendor has the option of withdrawing the proposal or advising the Court of its understanding that this information will become public record. The price of products offered or the cost of services proposed shall not be designated as proprietary or confidential information.

In the event a public records request is made for information designated by the Vendor as confidential or proprietary where the Court has made a determination as to the confidential or proprietary nature of the information, the Court will notify the Vendor of the request and its determination as disclosure or non-disclosure of the information.

- H. Negotiations.** The Court may require the potential Vendor(s) selected to participate in negotiations and to submit revisions to pricing, technical information, and/or other revisions of their proposal(s) as may result from negotiations.
- I. Level of Service.** For any Agreement awarded as a result of the RFP, no minimum or maximum number of transactions can be guaranteed by the Court.
- J. Final Authority.** The final authority to award agreements as a result of this RFP rests solely with the Court Executive Committee.
- K. Disclosure of Criminal and Civil Proceedings.** The Court reserves the right to request the information described herein from the Vendor selected for agreement award. Failure to provide the information may result in a disqualification from the selection process and no award of agreement to the Vendor. The Court also reserves the right to use an outside source or third party to review, investigate and obtain the requested information. The selected Vendor also may be requested to provide information to clarify initial responses. The failure to provide any additional requested information or if negative information is provided or discovered may result in disqualification from the selection process and no award of agreement.

The selected Vendor may be asked to disclose whether the Vendor, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the Vendor's business, or whether the Vendor, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense

involving financial misconduct or fraud. If the response is affirmative, the Vendor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected Vendor may be asked to disclose whether the Vendor, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the Vendor or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the Vendor or the individuals. If the response is affirmative, the Vendor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

- L. **Award.** The award of any work under this RFP may be made to more than one Vendor and/or shared by multiple vendors. Award of agreement may or may not be an all or nothing basis or by groups of items. The Court reserves the option to make award(s) as it deems to be in the best interest of the Court.

IV. SCOPE OF WORK

A. Definitions

1. **Agreement.** The agreement entered into as a result of this RFP.
2. **The Executive Team.** The Executive Team for the Court is the policy making body of the Court and is responsible for the review and approval of all service agreements and/or agreements with the Court.
3. **Vendor.** The Vendor selected by the Court to provide Health and Welfare Consulting and Administration Services as a result of this RFP.
4. **Administrative Office of the Courts (AOC).** The Administrative Office of the Courts (AOC) is the staff agency to the Judicial Council of California, the policymaking body of the state court system. Under the leadership of Administrative Director of the Courts, the AOC is responsible for a variety of programs and services to the courts and to the public to improve access to a fair and impartial judicial system.
5. **Human Resources (HR) Department.** The Court's HR Department provides a wide array of personnel and employee services to Court departments and agencies. The Department Director reports directly to the Deputy Court Executive Officer.
6. **Medical Carrier.** Same as Vendor.

7. **TPA.** Third Party Administrator(s) for the Court's self-funded employee benefit plans.
8. **Key Employee.** Key employee includes any individuals providing direct service to the Court. "Key employees" do not include clerical personnel providing service at the Vendor's offices or locations.

B. Background of Court. The Superior Court of California, County of San Bernardino holds jurisdiction over the largest county in the United States, geographically, covering over 20,000 miles and serving more than two (2) million people. The county has three distinct geographical areas: desert, valley and mountains. Each geographical area is home to one or more Court Districts.

The Court has 71 judges and 13 subordinate judicial officers who hear court proceedings in 17 locations: Barstow, Big Bear, Chino, Colton, Fontana, Joshua Tree, Needles, two sites in Rancho Cucamonga, Redlands, six sites in San Bernardino, and Victorville. Approximately 1,000 employees service the needs of the Court by providing administrative and clerical support.

In addition, there are operational sites in San Bernardino: the Appeals and Appellate Division, Court Executive Office & Administrative Services, Court Records Center, Court Human Resources, Jury and the Court Compliance Division.

C. Background of Court Employee Benefit Plans and Programs. The Court became a separate employer from the County in 2001. The Court has continued to participate in the County's health and welfare plans and the County's HRIS and payroll system. Effective August 1, 2010, the Court will no longer participate in the County's HRIS and payroll system. The County will no longer administer benefits for Court employees. The County has obtained agreement from all current vendors to permit the Court to participate in the County's plans at the minimum through July 31, 2011. The Court will need to establish arrangements with all vendors to process enrollments, payments, claims, reports, etc. The Court is also exploring the possibility of a benefits consortium with other Superior Courts in Southern California.

D. Values and Expectations for Employee Benefit Plans and Programs. The Court is committed to providing its employees with comprehensive, high quality, and cost-effective employee benefit plans and programs that provide optimum value to both the Court and its employees. The Court is seeking to establish relationships with Vendor(s) to assist in achieving these goals, including the mutual development of performance standards that support the Court's key goals and objectives. Examples of these goals and objectives include:

1. **Long-Term Optimal Value in Court-Sponsored Health Plans.** The Court is committed to stabilizing and controlling plan costs in its health and welfare benefits program while obtaining optimal value (best price, quality of care and quality service) for plan participants. This will require the Court's Vendor(s) to assist in holding its providers accountable for delivering high quality, cost-effective care with a strong emphasis on delivering comprehensive preventive care. The Court expects providers to help stabilize and control plan costs while minimizing future cost increases in this manner.
 2. **Information Reporting and Performance Measurement.** Collection, reporting and analysis of data are critical in measuring and comparing plan and provider performance. The Court believes a key part of this process requires providers to regularly examine and improve their systems for assuring that necessary performance data is collected and care is being delivered in the most efficient and cost-effective manner. Court's Vendor(s) are expected to fully support the Court in its efforts to continue acquiring this important information from Court medical plan providers.
- E. Current and Completed Consulting Projects.** Exhibit 2 provides a list of consulting projects for health and welfare plans. The list identifies the Court's current and projected consulting projects that successful Vendors would be expected to assume and complete. This information will give Vendors a perspective of the Court's consulting needs and services.
- F. Scope of Services.** The successful Vendor(s) will be expected to provide, as a minimum, the following services to the Court's health and welfare benefit plans and programs. Vendors are asked to specify their ability to provide the following services. If Vendor cannot provide any of the following services, the Vendor must so indicate in their response to this RFP.
1. Provide frequent visits as requested by the Court to the Court's Human Resources Department and Court Executive Office for actively assisting in the management of the Court's employee benefits plans and programs.
 2. Review and make recommendations to the Court and to the Employee Benefits Advisory Committee (EBAC) for value added benefit plans and programs as well as modifications to the design, cost (rates), and quality of current employee benefit plans and programs.
 3. Provide legal opinions pertaining to the Court's employee benefit plans and programs including analysis and application of all relevant laws, statutes, and regulations. If the Vendor subcontracts legal services to another entity and/or person, the Vendor's response must identify that entity or person and a complete resume of experience and training of the person and/or each member of the entity who will provide legal services to the Court must be

attached to the response. Refer to section V, Agreement Requirements subparagraph A.5, Subcontracts, for additional subcontract requirements.

4. Assist the Court in the initial separation from County Benefits.
5. Assist the Court in exploring a benefits consortium with other courts in California.
6. Develop RFPs consistent with the Court's policies for review by EBAC and Court Executive Office. Manage the RFP process and prepare a comprehensive report of the proposals received in response to the RFP. Evaluate proposals and recommend those proposals deemed acceptable for further analysis and review by EBAC. Work with EBAC to determine which proposal(s) to recommend to the HR Director, Court Executive Office and the Executive Committee for acceptance. Develop responses to protests from the RFP process. Make presentations regarding your firm's RFP recommendations to EBAC and Court officials.
7. Assist in the design, implementation and administration of new and existing programs.
8. Make recommendations for items of negotiation with benefit plan providers including, but not limited to, plan design, cost (rates), and quality of services.
9. Assist in developing and implementing agreements with selected health, welfare, and TPA providers in accordance with Court timelines and requirements.
10. Review and analyze all benefit plan provider agreements for compliance with all applicable federal and state laws, statutes and regulations and the Court agreement.
11. Assist with the development, negotiation and implementation of performance standards and guarantees with the Court's various benefit plan providers.
12. At designated intervals, evaluate and report the performance of plan providers to HR, Court Executive Office and EBAC.
13. Assist HR in the preparation and/or review and updating of benefit plan documents and benefit summary plan descriptions for self-funded benefit plans.
14. Regularly and timely communicate to the Court changes and proposed changes in state and federal laws, statutes and regulations that may impact

the Court's employee benefit plans and programs. Recommend procedures and/or policies the Court should implement to comply with federal and state statutes and regulations.

15. Review and prepare an analysis of all reports submitted by plan providers and TPAs. Make recommendations regarding the format and content of the reports. Recommend additional reports as needed.
16. Provide actuary services as needed. Recommend appropriate premium rates and reserves to maintain the viability of the plans, insuring quality and cost-effective benefits are provided by the plans.
17. Provide actuarial costing of legislative proposals for mandated benefit programs.
18. Provide research and responses to technical questions posed by HR staff.
19. Provide financial and/or performance reviews of self-funded and fully insured plans and programs, as well as the Court's TPA.
20. Provide HR Benefits & Payroll Administrator with general guidance on items such as trends in benefit plans, methods for improving cost containment, financial arrangements, and administration.
21. Develop and/or assist in developing and evaluating employee needs and satisfaction surveys.
22. As requested by Director of HR, provide comparison reports of other employers benefit plans and programs to determine competitiveness.
23. Provide, as a minimum, two (2) annual on-site training programs regarding legislation updates and best practice seminars for HR and associated staff.
24. Provide assistance, technically and creatively, in the on-going development and preparation of various employee communication materials.
25. Provide day to day consultation on matters such as, but not limited to, plan interpretation and problem resolution, including attendance at periodic meetings to facilitate and assist in the management of the Court's health and welfare plans and programs.
26. Participate in negotiations with health and welfare providers on matters such as, but not limited to, premium rates, benefit levels, performance standards and guarantees, agreement terms and conditions, quality assurance standards, utilization and performance reports, statistical and/or financial

reports, and plan specific data such as medical conditions, prescription drugs, high cost procedures, in-patient data, etc.

27. Provide such other services as requested by the Director of HR based upon mutual agreement for hourly rates for services.
28. Maintain full and accurate records with respect to all matters and services provided to the Court's benefit plans and programs. At the request of Court staff or Court officials, provide all spreadsheets, assumptions, and calculations upon completion of any project performed on behalf of the Court's benefit plans and programs.
29. Vendor(s) must agree to work collaboratively with any other consultants or consulting firms and/or legal firms the Court has agreements with for consulting and/or legal services.
30. Vendor(s) and its subcontractors and agents agree to work collaboratively with the Court and AOC legal staff with any and all requested information pertaining to the Court's employee benefit plans and programs.

V. AGREEMENT REQUIREMENTS

A. General. The Vendor(s) selected may be required to agree to terms and conditions substantially in the form of those contained below. If Vendors have any objections, these objections must be addressed in the RFP response to the Court or the objections will be deemed to have been waived.

1. **Representation of the Court.** In the performance of the Agreement, Vendor, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the Court.
2. **Vendor Primary Contact.** The Vendor will designate an individual to serve as the primary point of contact for the Agreement. Vendor shall notify Court when the primary contact will be unavailable/out of the office for three (3) or more consecutive workdays. Vendor or designee must respond to Court inquiries within two (2) business days.
3. **Change of Address.** Vendor shall notify the Court in writing of any change in mailing address within ten (10) days of the address change.
4. **Agreement Assignability.** Without the prior written consent of the Court, the Agreement is not assignable by Vendor either in whole or in part.
5. **Subcontracts.** Vendor agrees not to enter into any subcontracts for work contemplated under the Agreement without first obtaining written approval

from the Court. Any subcontract for work under this Agreement shall be subject to the same provisions as Vendor. Vendor shall be fully responsible for the performance of any subcontractor performing work under this Agreement.

6. **Copyright.** Court shall have a royalty-free, non-exclusive and irrevocable license to publish, disclose, copy, translate, and otherwise use, copyright or patent, now and hereafter, all reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other materials or properties developed under this Agreement including those covered by copyright, and reserves the right to authorize others to use or reproduce such material. All such materials developed under the terms of this Agreement shall acknowledge Court as the funding agency and Vendor as the creator of the publication. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by Vendor in the United States or in any other country without the express written consent of Court. Copies of all educational and training materials, curricula, audio/visual aids, printed material, and periodicals, assembled pursuant to this Agreement, must be filed with Court prior to publication. Vendor shall receive written permission from Court authorizing its use and publication prior to publication of said training materials.
7. **Attorney Fees and Costs.** Vendor agrees to bear its own attorney's fees and costs regardless of who prevails in the event of an agreement dispute and not charge such fees as an expense under this Agreement.
8. **Conflict of Interest.** Vendor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the Court. Vendor shall make a reasonable effort to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others such as those with whom they have family, business, or other ties.

Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and State law, including Section 23-602 (Code of Conduct) of Chapter 23-600 of the CDSS Manual of Policies and Procedures. In the event that Court determines that a conflict of interest situation exists, the Court may disallow any increase in costs associated with the conflict of interest situation and such conflict may constitute grounds for termination of the Agreement.

This provision shall not be construed to prohibit employment of persons with whom Vendor's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in

increased costs over those associated with the employment of any other equally qualified applicant.

9. **Confidentiality.** Vendor acknowledges that all information made available by the Court about its employees is confidential and agrees that it will take all action reasonably necessary to maintain the confidentiality of the information. Vendor agrees that it will not distribute, disclose or release to any third party any such information except as required to the performance of services hereunder either during or at any time after the term of the Agreement. Vendor must obtain the prior written approval of the Court before any distribution, disclosure or release of employee information to any third party.
10. **Licenses and Permits.** Vendor will ensure that it has all necessary licenses and permits required by the laws of the United States, State of California, Court and all other appropriate governmental agencies, and agrees to maintain these licenses and permits in effect for the duration of this Agreement. Vendor will notify Court immediately of loss or suspension of any such licenses and permits. Failure to maintain a required license or permit may result in immediate termination of this Agreement.
11. **Americans with Disabilities Act.** Vendor shall comply with all applicable provisions of the Americans with Disabilities Act (ADA).
12. **Notification.** In the event of a problem or potential problem that will impact the quality or quantity of work or the level of performance under this Agreement, notification will be made within one (1) working day, in writing and by telephone to the Court. Court will designate a contact to receive such notifications.
13. **Agreement Amendments.** Vendor agrees any amendments, alterations, variations, modifications, or waivers of provisions of the Agreement shall be valid only when they have been reduced to writing, duly signed and attached to the original of the Agreement and approved by the Court Executive Officer or designee.
14. **Venue.** The venue of any action or claim brought by any party to enforce the provisions of this Agreement shall be San Bernardino Superior Court. Each party hereby waives any law or rules of the court that would allow them to request or demand a change of venue. If any action or claim concerning this Agreement is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to San Bernardino Court.
15. **Key Personnel.** Vendor must provide a list of and the resumes of the individuals who will provide services to the Court. These individuals will be

designated "key personnel" and may not be removed from Court transactions or projects without the written approval of the Court. An individual who will be the main contact person must also be identified. If the main contact person will be unavailable to the Court for more than three (3) days, another person must be designated as a contact for the Court for that period. Key personnel must respond to the Court within two (2) Court business days.

16. **Invoices.** Vendor shall provide Court itemized monthly invoices, in arrears, for services performed under this Agreement within twenty (20) days of the end of the previous month. Invoices shall include the information outlined in Exhibit 3 and shall be mailed to the address provided by Court.
17. **Delinquency of Payments.** Vendor agrees that Court payments will not be considered delinquent unless the Court fails to make payment within 60 days from the date payment was due.
18. **Prepayment of Claims, Premiums or Fees.** Vendor agrees that no prepayment of claims, premiums or fees will be required at any time.
19. **Ownership of Documents.** All documents, data, products, graphics, computer programs, and reports prepared by Vendor pursuant to this Agreement shall be considered property of the Court upon payment for services. All such items shall be delivered to the Court at the completion of work under the Agreement. Unless otherwise directed by Court, Vendor may retain copies of such items.
20. **Employment of Court Employees.** The Vendor shall not employ any person who is also an employee of the Court.
21. **Release of Information.** No news releases, advertisements, public announcements or photographs arising out of this Agreement or Vendor's relationship with Court may be made or used without prior written approval of the Court.
22. **Right to Monitor and Audit.** The Court shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items of the Vendors, its subcontractors and/or agents as requested, and shall have absolute right to monitor the performance of Vendor and its subcontractors and/or agents in the delivery of services provided under this Agreement. Vendor and its subcontractors and/or agents shall give full cooperation in any auditing or monitoring conducted. Vendor and its subcontractors and/or agents shall cooperate with the Court in the implementation, monitoring, and evaluation of this Agreement and comply with any and all reporting requirements established by the Court.

All records pertaining to services delivered and all fiscal, statistical, and management books and records shall be available for examination and audit by Court representatives for a period of five (5) years after final payment under the Agreement or until all pending Court, state and federal audits that may be pending at the time of final payment are completed.

23. Electronic Funds Transfers. Vendor shall accept all payments from COURT via electronic funds transfer (EFT) directly deposited into the Vendor's designated checking or other bank account. Vendor shall promptly comply with directions and accurately complete forms provided by COURT required to process EFT payments.

B. Improper Consideration. Vendor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee, group of employees or agent of the Court in an attempt to secure favorable treatment or consideration regarding the award of this proposal.

Vendor shall immediately report any attempt by a Court officer, employee, group of employees or agent to solicit (either directly or through an intermediary) improper consideration from Vendor. The report shall be made to the Court Executive Office.

The Court, by written notice, may immediately reject any proposal or terminate any agreement resulting from this proposal process if it determines that any improper consideration as described in the preceding paragraphs was offered to any officer, employee, group of employees or agent of the Court with respect to the proposal and award process, or any solicitation for consideration was not reported. This prohibition shall also apply to any amendment, extension or evaluation process once an agreement has been awarded.

In the event of a termination under this provision, the Court is entitled to pursue any available legal remedies.

C. Indemnification and Insurance Requirements.

1. Indemnification - The Vendor agrees to indemnify, defend and hold harmless the Court and its authorized officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the Court on account of any claim therefore, except where such indemnification is prohibited by law.

2. Insurance - Without in anyway affecting the indemnity herein provided and in addition thereto, the Vendor shall secure and maintain throughout the term of the Agreement, including any extensions thereof, the following types of insurance with limits as shown:
 - a. **Worker's Compensation** - A program of Worker's Compensation Insurance or a state-approved Self-Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits, covering all persons providing services on behalf of Vendor and all risks to such persons under this Agreement.

If Vendor has no employees, it may certify or warrant to Court that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the Court.
 - b. **Comprehensive General and Automobile Liability Insurance** - This coverage to include agreement coverage and automobile liability coverage for owned, hired and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000).
3. Additional Named Insured - All policies, except for Worker's Compensation, Errors and Omissions, and Professional Liability policies, shall contain additional endorsements naming the Court and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services pursuant to the Agreement.
4. Waiver of Subrogation Rights - Vendor shall require the carriers of the above required coverage to waive all rights of subrogation against the Court, its officers, employees, agents, volunteers, Vendors and subcontractors.
5. Policies Primary and Non-Contributory - All policies required above must be primary policies. Policies cannot be contributory to or with any insurance or self-insurance maintained by the Court.
6. Proof of Coverage - Vendor shall immediately furnish certificates of insurance to the Court Department administering the Agreement evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services pursuant to the Agreement; which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Court Department administering the Agreement, and Vendor shall maintain such insurance from the time Vendor commences performance of services hereunder until

the completion of such services. Within sixty (60) days of the commencement of the Agreement, the Vendor shall furnish certified copies of the policies and all endorsements.

7. Insurance Review - The above insurance requirements are subject to periodic review by the Court. The Court Executive Officer is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Court Executive Officer determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interest of the Court. In addition, if the Court Executive Officer determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Court Executive Officer is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of the past claims against the Court, inflation, or any other item reasonably related to the Court's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to the Agreement. Vendor agrees to execute any such amendment within thirty (30) days of receipt.

- D. **Agreement Compliance.** Vendor agrees to comply with the provisions of Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and any other applicable federal, state laws, statutes, regulations, and policies relating to equal employment and agreement opportunities, including any and all laws, statutes and regulations and policies hereafter enacted.
- E. **Gratuity.** Vendor shall not offer or otherwise distribute any bonus, gratuity or other payment to employees or groups of employees for the purpose of inducing enrollment or to existing employees or groups of employees for the purpose of inducing the continuation of enrollment.
- F. **Termination of Agreement.** The termination of any Agreement(s) issued as a result of this RFP shall be subject to the provisions of the following:
 1. The Court may immediately terminate after notice of material breach is sent to the Vendor and the breach is not cured within fifteen (15) business days of receipt of such notice. For the purpose of the Agreement, the term "material breach" shall be defined to mean the failure of Vendor to perform all of its obligations under the Agreement.
 2. The Agreement may be terminated by the Court without cause upon thirty (30) calendar days written notice to the other party. All fees and charges

incurred prior to termination must be submitted to the Court for payment within thirty (30) days of the date of termination.

3. The Court Executive Officer has full discretion and authority to exercise Court termination rights under the Agreement.

VI. PROPOSAL SUBMISSION

A. General

1. All interested and qualified Vendors are invited to submit a proposal for consideration. Submission of a proposal indicates that the Vendor has read and understands this entire RFP, including all appendices, exhibits, attachments, modifications and addendum (as applicable) and all concerns regarding this RFP have been satisfied.
2. Proposals must be submitted in the format described in Paragraph C, Proposal Format, of this Section VI. Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials are neither necessary nor desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
3. Proposals must be complete in all respects. A proposal may not be considered if it is conditional or incomplete.
4. All proposals and materials submitted become the property of the Court. All proposals received are subject to the California Rule of Court 10.500 (see Section III, Proposal Conditions, Paragraph G, Proposal Confidentiality).
5. **Proposals must be received no later than the date and time at the designated location as specified in Section I, Introduction, Paragraph G, Proposal Submission Deadline.**

B. Proposal Presentation

1. Submit your proposal electronically on CD using Word version 6.0 or higher. Also, submit one (1) original and six (6) complete, hard copy sets of your proposal including all attachments and exhibits. The package containing the original, the CD, and all copies must be sealed and marked with the Vendor's name and "CONFIDENTIAL – RFP for Employee Benefits and Administration Services.

2. All printed proposals should be submitted on 8-½” by 11” paper unless specifically shown to be impracticable, with no less than ½” top, bottom, left and right margins. Typeface must be no more than 12 characters per inch and no less than 11 characters per inch. Each page, including attachments and exhibits, must be clearly and consecutively numbered at the bottom center of the page.

C. Proposal Format. Response to this Request for Proposal (RFP) must be in the form of a proposal package that must be submitted in the following format.

1. **Cover Page.** Submit RFP coversheet and a letter, on letterhead stationary, signed by a duly authorized officer, employee, or agent of the organization/firm submitting the proposal that must include the following information:

- a. A statement that the proposal is submitted in response to the Request for Proposal for Employee Benefits and Administration Services.
- b. A statement indicating which individuals, by name, title, address, and phone number, are authorized to negotiate with the Court on behalf of the organization/firm.
- c. A statement certifying that the undersigned, under penalty of perjury, is an agent authorized to submit proposals on behalf of the organization/firm.

2. **Statement of Certification.** Include the following in this section of the proposal:

- a. A concise statement of the services proposed.
- b. A statement that the offer made in the proposal is firm and binding for one hundred eighty (180) days from the date the proposal is opened and recorded.
- c. A statement that all aspects of the proposal, including cost, have been determined independently, without consultation with any other prospective Vendor or competitor for the purpose of restricting competition.
- d. A statement that all declarations in the proposal and attachments are true and that this shall constitute a warranty, the falsity of which shall entitle the Court to pursue any remedy by law.
- e. A statement that the Vendor agrees that all aspects of the RFP and the proposal submitted shall be binding if the proposal is selected and an agreement awarded.

- f. A statement that the Vendor, if selected, will comply with all applicable agreement requirements, rules, laws, statutes and regulations.
- g. A statement that the Vendor agrees to respond to any reasonable inquiry made by the Court for the purpose of clarifying any of the information contained in its proposal. The submission of a proposal constitutes permission by the Vendor for the Court to verify all information contained therein. If the Court deems it necessary, additional information may be requested from the Vendor. Failure to comply with any such request may disqualify a Vendor from further consideration. Such additional information may include evidence of financial ability to perform.
- h. A statement that the Vendor does not have any commitments or potential commitments which may impact the Vendor's assets, lines of credit, guarantor letters, or ability to perform the agreement.

3. Statement of Qualifications. Include the following in this section of the proposal:

- a. Resume. Vendor will provide a resume for each individual including any potential subcontractors who would be providing services to the Court.
- b. References. List the three (3) most progressive and innovative public sector clients whom you now work with or have worked with in the last five (5) years and have provided services similar in nature to those being requested in this RFP. Please give the full name of each public entity, their phone number, and the person the Court may contact who worked directly with your firm in overseeing the services you provided. Also provide three (3) clients to whom you no longer provide services, giving the full name of each entity, their phone number, and the person the Court may contact who worked directly with your firm.
- c. Financial Information. Vendor will provide the Company's Annual Report for the last two (2) years. Vendor must also include independently audited financial statements for the last two (2) fiscal years. Audited financial statements are required; unaudited financial statements will not be accepted.

Alternatively, provide tax returns from the most recent completed fiscal year or a letter from the Vendor's financial institution indicating the Vendor can carry up to sixty (60) days worth of invoices before obtaining payment.

4. Proposal Description. Proposal shall include the following:

- a. Brief synopsis of the Vendor's understanding of the Court's needs and how the Vendor plans to meet these needs. This should provide a broad

understanding of the Vendor's entire proposal. It should also include a statement that the Vendor will provide all of the services included in Section IV, Scope of Work, Paragraph F, Scope of Services. If the Vendor is unable to provide any of the particular services listed in the scope of work, they must so indicate by describing which service(s) they are unable to provide.

- b. Complete responses to questions in Appendix A, Questionnaire.
 - c. A proposed Transition Schedule to be used in implementing services during the take-over of existing services if necessary.
 - d. Explanation of any assumptions and/or constraints.
5. **Cost.** Include in this section the projected costs for your firm's employee benefits consulting and actuarial services. Costs should be broken down by fixed hourly rates for each level of staff. Hourly rates should include all administrative overhead and related costs. Travel, travel time, and other related expenses are not to be charged to the Court. It is expected these costs will be included in the billed hourly rates. Vendor shall indicate if fixed hourly rate shall remain current for years two and three, if not, Vendor shall provide the rates for years two and three. Vendor will use the format shown in Exhibit 3 for your cost proposal(s).

VII. PROPOSAL EVALUATION AND SELECTION

- A. Evaluation Process.** All proposals will be subject to a standard review process developed by the Court. A primary consideration shall be the demonstrated competence of the firm or organization and on the professional qualifications necessary for the satisfactory performance of the Vendor(s) to deliver the employee benefits consulting and actuarial services described in this RFP.

Vendors identified as "finalists" may be asked to submit samples of previous work. Evaluation of the finalists' proposals may include the quality of requested work samples, results of references, and interviews with and site visits by Court personnel. The Court Executive Officer will make the final decision(s) as to which proposal(s) will be recommended to the Executive Committee for agreement consideration and approval.

B. Evaluation Criteria

1. **Initial Review.** All proposals will be initially evaluated to determine if they meet all of the requirements as stated in this RFP, including the Minimum Vendor Requirements as outlined in Section I, Introduction, Paragraph C.

Failure to meet all of these requirements may result in a rejected proposal. No proposal shall be rejected, however, if it contains a minor irregularity, defect or variation if the irregularity, defect or variation is considered by the Court to be immaterial or inconsequential. In such cases the Vendor will be notified of the deficiency in the proposal and given an opportunity to correct the irregularity, defect or variation, or the Court may elect to waive the deficiency and accept the proposal.

2. **Financial Review.** All financial data submitted as part of the proposal will be reviewed by the Court Executive Office for financial stability. This determination will be on a pass/fail basis.
3. **Technical Review.** Proposals meeting the above requirements will be evaluated on the Vendor's ability to meet the requirements outlined in Section IV, Scope of Work, of this RFP based on the following criteria:
 - a. Qualifications and experience in providing employee benefits consulting and actuarial services to similar employer groups.
 - b. Ability to provide comprehensive employee benefits consulting and actuarial services in a timely manner (including, but not limited to, providing sufficient personnel, licensing, and certification to meet the Court's current and future needs).
 - c. Procedures and systems for record keeping and other aspects of the firm's business operations.
 - d. Performance standards and guarantees regarding services to be offered.
 - e. The range and quality of services offered.
 - f. Cost of services provided, including hourly rates and/or rate guarantees for year two and year three if awarded an agreement.
 - g. Interviews.
4. **Final Selection.** Final selection will be based on determining which proposal or proposals will best meet the needs of the Court as described in this RFP.

C. Agreement Award

1. Agreement(s) will be awarded based on a competitive selection of proposals received.

2. The contents of the proposal(s) of the successful Vendor(s) will become agreement obligations and failure to accept these obligations in an agreement may result in cancellation of the award.
3. Award of agreement(s) may or may not be on an all or nothing basis. The Court reserves the option to make award(s) as it deems to be in the best interest of the Court.

D. Disputes Relating to Proposal Process and Award

1. In the event a dispute arises concerning the proposal process prior to the award of the agreement, the party wishing resolution of the dispute shall submit an appeal/protest in writing to the Director of Human Resources. Vendor may appeal/protest the recommended award or denial of award, provided the following requirements are met:
 - a. Appeal/protest must be in writing.
 - b. The appeal/protest must be submitted within ten (10) calendar days of the date of the recommended award or denial of award letters sent to Vendor.
2. An appeal/protest of a **denial of award** can only be brought on the following grounds:
 - a. Failure of the Court to follow the selection procedures and adhere to requirements specified in the RFP or any addenda or amendments, or
 - b. There has been a violation of conflict of interest as provided by California Government Code Section 87100 et seq., or
 - c. A violation of State or Federal law.

Appeals/protests will not be accepted for any other reasons than those stated above. The Court will consider only those specific issues addressed in the written appeal/protest. In the event of an appeal/protest, the Director of Human Resources or a panel designated by the Director of Human Resources will review and determine the appeal/protest. A written response will be sent within ten (10) calendar days of receipt of the appeal/protest, unless more time is required to investigate and prepare the response, advising of the decision with regard to the appeal/protest and the basis for the decision. All appeals/protests must be sent to:

Sheri San Miguel
Director Human Resources
Human Resources Department
Superior Court of California, County of San Bernardino
172 West Third Street, 2nd Floor
San Bernardino, CA 92415-0312

APPENDIX A - QUESTIONNAIRE

This Questionnaire addresses the major aspects of the Court's employee benefits consulting and actuarial services needs. Answer only the questions asked, and refrain from making references to other preprinted materials, marketing and sales types of information. Your responses must relate to the facts requested. Your responses must reflect your organization's current personnel.

Have appropriate personnel answer each question. The accuracy and completeness of this information will be weighed heavily in the considerations of the evaluation of the responses. For questions that do not pertain to your organization as specified in Section IV, Scope of Work, Paragraph F, Scope of Services, respond to the question with "Not Applicable."

1. What is the service area of your company? Please provide a listing by state and city.
2. If more than one office would be providing services to the Court, describe what services would be provided at each location.
3. Which location would be the primary office to service the Court's account and what services would be provided through this office?
4. How long has your firm provided consultant services for health plans? Please briefly describe the type of health plans you have serviced.
5. How long has your firm provided consultant services for welfare (eg. Life insurance, short and long term disability, etc.) plans? Please briefly describe the type of welfare plans you have serviced.
6. Describe your firm's experience that substantiates it meets the minimum requirements as set forth in Section I, Introduction, Paragraph C., Minimum Vendor Requirements.
7. Confirm that your firm would provide all the services listed in Section IV, Paragraph F., Scope of Services. List any services in that Section that you would not be able to provide.
8. List any characteristics of your firm that you feel make it unique from other employee benefits and/or actuarial consulting firms.
9. How much management autonomy is extended to the office(s) which is (are) to provide the consulting services under your proposal?
10. Will the office in charge of the Court's account have access to resource consultants in other offices? If so, please describe those resources.

11. Please list any potential conflicts of interest that your firm foresees if you are selected as one of the successful Vendors, or state affirmatively that you foresee none.
12. Are you owned by or does any insurance company have part ownership in your firm? If so, please detail all such relationships.
13. Does your firm broker any type of insurance coverage? If yes, please describe the type of insurance programs.
14. Describe your organization's legal research capabilities and ability to provide legal opinions.
15. Do you agree that the work you complete under any agreement awarded cannot be copyrighted?
16. Do you agree that all work completed under any agreement awarded is considered property of the Court?
17. Are there areas of services that were not designated in Section IV, Scope of Work, Paragraph F, Scope of Services, that you would recommend be added to the services your firm would provide to the Court?
18. Explain your firm's ability to provide expertise and experience in the areas of long range strategic planning for health and welfare benefit planning purposes. Explain in detail the types of analyses your firm has conducted relative to long range strategic planning for employers with at least 5,000 employees.
19. Outline your firm's ability to provide expertise and experience in the areas of health benefit plan analysis and design. Explain in detail the types of analyses your firm has conducted relative to benefits analysis and design for health plans with at least 5,000 employees.
20. Outline your firm's ability to provide expertise and experience in the area of dental plans. Explain in detail the types of analyses your firm has conducted relative to benefits analysis and design for these types of plans offered by employers with more than 5,000 employees.
21. Outline your firm's ability to provide expertise and experience in the areas of welfare benefit plans, e. g., life insurance plans, accidental death and dismemberment (AD&D) plans, disability plans, vision plans, long term care plans, etc. Explain in detail the types of analyses your firm has conducted relative to benefits analysis and design for these types of plans offered by employers with more than 5,000 employees.

22. Outline your firm's ability to provide expertise and experience in the areas of mental health (psychological services) and employee assistance plans (EAP) and programs. Explain in detail the types of analyses your firm has conducted relative to benefits analysis and plan design for these types of plans.
23. Outline your firm's ability to provide expertise and experience in the areas of High Deductible Health Plans (HDHPs) and Health Savings Accounts (HSAs). Explain in detail the types of analyses your firm has conducted relative to benefits analysis and design for these types of plans offered by employers with more than 5,000 employees.
24. Please list how many clients, both public and private sector, for which you currently provide consulting and/or actuary services, which offer the following plans to their employees and/or retirees.

Plan Provider

Number of Clients

Kaiser Permanente Health Plans
 Health Net HMO Plans
 Health Net PPO Plans
 Delta Dental Plans
 MHN Psychological Services
 and EAP Plans
 Community Action EAP
 Hartford

25. How many clients do you currently service in the public sector?
26. Have you provided with your proposal to the Court copies of your firm's audited financial statements for the past two (2) fiscal years?
27. Have any of the principals of your firm ever been named in a lawsuit for consulting services similar to the consulting services requested by this proposal? If so, please provide details.
28. Will you agree to give the Court the right of approval of any staff member assigned to this account?
29. If your firm is selected as a "finalist," would you be willing to submit samples of work that you produced for other large employer groups that relate to the Court's benefit programs? If not, please explain.
30. What on-going, organized professional training programs does your firm maintain for its consulting staff? Please describe such programs.

31. List the three (3) most important concerns you see for the Director of Human Resources for the next eighteen (18) months for benefits as the Court embarks on this new area of benefit management.
 - a. What resources does your firm have to address these concerns?
 - b. List your firm's experience in addressing these concerns.
 - 1) Government employer experience
 - 2) Private sector employer experience