

June 24, 2004

04-165

ACCEPT PROPOSAL/AWARD CONTRACT FOR BENEFITS
CONSULTING SERVICES

PREPARED BY: Denise Jeffords, Buyer/Contract Specialist

FINANCIAL
RESPONSIBILITY: Jerry Donnelly, Director, Human Resources

APPROVED BY: Randy McEwen, Vice President, Administrative Services
Dr. Preston Pulliams, District President

REPORT: The College needs to continue contracting for general benefits consulting services for the Human Resource Management/Employee Benefits Department. The contractor is required to have expertise in working with public agencies generally, institutions of higher education specifically, working with multiple employee categories and classifications, working in a unionized environment, and with joint labor-management committees. In addition, the consultant should have considerable additional expertise and offer services and guidance in long term disability insurance, Life/AD&D, Section 125 plans, Health Spending Accounts, COBRA, HIPAA, supplemental retirement plans and deferred compensation plans, specifically 457 and 403(b).

A Request for Proposals (RFP) was advertised and issued on March 18, 2004. The RFP was advertised in the Daily Journal of Commerce, on the State of Oregon VIP, and on the College's Purchasing Web Site. Seven (7) RFP documents were downloaded from the College's Purchasing website. Four (4) proposals were received by the due date of April 22, 2004 from the following firms:

<u>Firm</u>	<u>Proposal Score</u>
Mercer Human Resource Consulting	89.95
The Partners Group, Inc.	80.55
JBL&K Risk Services	82.85
Aon Consulting	79.90

NOTE: None of the firms who downloaded or responded to the RFP are Oregon State certified MWESB firms.

A committee comprised of five (5) staff members of the College evaluated the proposals based on the following criteria listed in the RFP: Overall qualifications in terms of firm credentials and services; Rating based on staff and services available locally; Qualifications and fit of consultants and staff members to be assigned to PCC and key distinctions such as approach, philosophy, and values; Similarity of client base and client experience to PCC's size, makeup, union representation labor-management committees, challenges faced, etc.; Experience and relationships with local insurance carriers and health providers, including any limitations or exclusions such as non-compete arrangements or any other potential conflicts of interest; Qualifications and experience in broader array of benefits as listed above and peripheral services such as communications programs, education and training, software programs, newsletters, online resources, etc.

As the proposal ratings were all considered quite acceptable and any of the firms could do an excellent job for the College, the committee decided to interview all four (4) firms. Based on the interviews, the committee is recommending that JBL&K Risk Services be awarded the contract to provide benefits consulting services.

RECOMMENDATION:

That the Board of Directors accept the proposal recommended by the evaluation committee and award a three (3) year contract from July 1, 2004 through June 30, 2007, with an option to renew on an annual basis for two (2) additional years, to JBL&K Risk Services.

All services under this contract will be compensated by commissions paid by the insurance carriers directly to JBL&K, with no direct payments made by the College. The amount of commissions range from approximately \$55,000 to \$80,000 per year depending upon premium increases, enrollment levels, and the array of benefits offered. Premiums for employee benefits are budgeted in the necessary funds and accounts.

Resolutions 04-158 through 04-177 were moved for approval by Director Germond and it passed unanimously.