



**Los Angeles Community College District  
Joint Labor-Management Benefits Committee**

LOS ANGELES COMMUNITY COLLEGES

CITY • EAST • HARBOR • MISSION • PIERCE • SOUTHWEST • TRADE-TECHNICAL • VALLEY • WEST

ADMINISTRATIVE OFFICES • Darroch F. Young, Chancellor

**REQUEST FOR PROPOSALS (RFP) #06-12  
EMPLOYEE BENEFITS INSURANCE BROKER  
AND  
CONSULTING SERVICES**

**Los Angeles Community College District  
BUSINESS SERVICES DIVISION  
770 Wilshire Boulevard, 3<sup>rd</sup> Floor  
Los Angeles, CA 90017-3856  
(213) 891-2231**

**RFP Schedule**

Issued:	December 13, 2006
Preproposal Conference:	January 3, 2007
Written Questions Due:	January 5, 2007
Submittal:	January 19, 2007



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## REQUEST FOR PROPOSALS FOR EMPLOYEE BENEFITS INSURANCE BROKER AND CONSULTING SERVICES

### I. INTRODUCTION

#### A. PURPOSE

The purpose of this Request for Proposals (RFP) is to solicit offers from qualified insurance brokers to provide brokerage and consulting services to the Los Angeles Community College District ("LACCD" or "District") in support of the District's health and welfare benefits programs. Such services will include, but not be limited to: (1) reviewing and advising on appropriate insurance coverage; (2) marketing and placement of insurance, including issuance of requests for proposals, as required; (3) reviewing vendor contracts and evidence of coverage; (4) coordinating with other District benefits service providers; (5) participating in joint labor management benefits committee meetings; (6) acting as a liaison and an advocate for the District with insurance companies; and (7) developing and producing communications materials.

The benefit programs include group medical, dental, vision and life/accidental death and dismemberment (AD&D) insurance (including basic and voluntary coverage), flexible spending accounts (FSAs), and an employee assistance program. Currently, the medical, dental and vision insurance is placed by one broker and the group life/AD&D insurance is placed by a second broker to the District. Through this RFP, beginning with the 2008 benefits plan year, the District intends to consolidate all broker/consultant work with a single broker, which would also market renewals of the FSA and EAP programs.

#### B. BACKGROUND

LACCD is the largest community college district in the state, with nine colleges and more than 120,000 students. The District has an annual budget of about \$1.1 billion and a work force of nearly 6,000, including part-time employees.

LACCD offers one PPO and two HMO medical plans; one PPO and two HMO dental plans; one vision plan; and a basic life/voluntary life and accidental death and dismemberment (AD&D) term insurance plan. Also offered are IRC 125 flexible spending accounts for healthcare and dependent care and a premium-only plan (POP) for part-time faculty. Certain part-time instructors not eligible for the POP are offered access, at their own expense, to the District's plans. Finally, the District sponsors an employee assistance program (EAP). All the plans, except for the EAP, are based on the calendar year.

Approximately 3,500 full-time employees and their dependents and 3,000 retirees and their dependents are enrolled in one or more District-sponsored benefit plans. All medical, dental, vision, basic life and AD&D, and EAP premiums are 100% District-paid for full-time benefited employees, eligible retirees and their dependents. In fiscal year 2006/2007 the District expects to spend approximately \$60 million in premium for active and retiree benefit plans.

The District currently contracts with several other service providers to support the District's benefits programs, including a customer call center and employee database administrator, retiree database administrator, communications consultant, FSA third-party administrator and EAP administrator with whom the broker/consultant will need to coordinate.



The District's health and welfare benefits are collectively bargained and governed by a Joint Labor/Management Benefits Committee (JLMBC) under authority defined in a Master Benefits Agreement. The JLMBC is composed of one member from each of six (6) employee bargaining units, one additional member from the faculty union who serves as the committee chair, and two (2) management representatives. Meetings are held monthly. Among other duties, the JLMBC is responsible for recommending the selection of a broker/consultant to the District's Board of Trustees.

The District's management and labor representatives are now studying alternatives to the JLMBC for administering the District's benefits programs, such as through a single-employer joint benefits trust or a multi-employer organization. The outcome of this evaluation could lead to a restructuring of the delivery model for the District's health and welfare benefits and, possibly non-renewal of the broker contract resulting from this RFP after one or two years.

For additional information on the District's health and welfare benefit programs and the scope of work for the selected broker/consultant, please see Exhibit A of this RFP.



## II. SCHEDULE AND SUBMITTAL

### A. RFP SCHEDULE

Issued:	December 13, 2006
Preproposal Conference:	January 3, 2007
Written Questions Due:	January 5, 2007
Submittal:	January 19, 2007, 2:00 p.m.

### B. PREPROPOSAL CONFERENCE

A Preproposal Conference will be held at 10:00 a.m. on January 3, 2007 in the Board Room on the first floor of the District's headquarters located at 770 Wilshire Boulevard, Los Angeles. Parking, at the Proposer's expense, is available at the following locations: MCI Center at Macy's Plaza, 700 S. Flower Street; 757 S. Flower Street; or 833 S. Flower Street. Attendees should enter the LACCD building through the Wilshire Boulevard entrance on the north side of the property. All times noted above and elsewhere in this RFP are in Pacific Standard Time (PST).

While participation in the Preproposal Conference is not a prerequisite for submitting a proposal, all prospective Proposers are encouraged to take part. Minutes or other record of the conference will not be disseminated, except where material changes to this RFP are made by LACCD or answers to questions are deferred and later communicated as part of an addendum to this RFP.

### C. WRITTEN QUESTIONS

Questions or comments regarding this RFP (except to inquire about the number of addenda issued) must be put in writing and received by LACCD no later than 2:00 p.m., January 5, 2007. Written questions are to be: (1) mailed to the Risk Manager at the address shown below for proposal submittal, or (2) e-mailed to [harrist@laccd.edu](mailto:harrist@laccd.edu) **COPYING** [takedakb@laccd.edu](mailto:takedakb@laccd.edu) **AND** [walkerkc@laccd.edu](mailto:walkerkc@laccd.edu) or (3) faxed to (213) 891-2490, attention Risk Manager.

The District shall not be obligated to answer any questions received after the above-specified deadline or any questions submitted in a manner other than as instructed above.

### D. PROPOSAL SUBMITTAL

#### 1. General

Proposals must be received by **2:00 p.m., January 19, 2007**. Any proposal received after this date and time, may, at the sole discretion of the District, be returned or set aside without consideration. It is the practice of the District not to consider late offers unless it is determined that a selection cannot be made from among the proposals received on time.

Delivery of proposals by the specified deadline is the sole responsibility of the Proposer. LACCD shall not be responsible for, nor accept as a valid excuse for late proposal receipt, any



delay in mail service or other method of delivery used by the Proposer except where it can be established that the District was the sole cause of the late receipt.

The District intends that all proposals, regardless of method of submittal, remain unopened until after the deadline has passed for receipt of proposals. However, the District shall not be liable for damages alleged to arise from, nor accept as the basis for protest of a contract award, the circumstance where the District inadvertently opens a proposal prior to the deadline.

## **2. Methods of Submittal**

### **a. Physical Delivery**

The proposal may be submitted in paper form in a sealed envelope marked "Proposal—RFP #06-12" and delivered to: Los Angeles Community College District, Business Services Division, 3rd Floor, 770 Wilshire Boulevard, Los Angeles, California 90017-3856, Attention: Toni Harrison. Proposals may be mailed, sent by private carrier or delivered in person during normal business hours, which are 8:00 a.m. to 4:30 p.m., Monday through Friday. Faxed copies will not be accepted. If submitting a paper proposal, the Proposer shall include one original and six (6) copies, plus an electronic file in Microsoft Word or pdf format on CD-ROM.

### **b. Electronic Delivery**

The proposal may be submitted as a file attached to an e-mail message and sent to [proposal2007@email.laccd.edu](mailto:proposal2007@email.laccd.edu) with the following inserted in the "subject" line of the e-mail: "Proposal—RFP #06-12". E-mailed proposals must be received by the specified deadline according to the internal clock of the District's server receiving the proposal.

While the District will take reasonable precautions to prevent the premature opening of proposals submitted electronically, this cannot be guaranteed. The District expressly reserves the right to open and inspect any incoming e-mail suspected of containing a virus. In addition, the District cannot guarantee, and shall not be responsible for ensuring, that emailed proposals are not intercepted in transmission. If the District cannot open a proposal file, or a file once opened is found to be unreadable, the Proposer will be contacted and permitted to re-send the file within a specified time.

Proposals shall be submitted by either physical delivery or electronic delivery but not by a combination of these methods. If submitted by both paper and e-mail, the District shall have the sole discretion to choose which to accept as the Proposer's official submittal.



### **III. GENERAL INSTRUCTIONS**

#### **A. DISTRICT CONTACT PERSON**

Ms. Toni Harrison  
Risk Manager  
Los Angeles Community College District  
Business Services Division, 3<sup>rd</sup> Floor  
770 Wilshire Boulevard  
Los Angeles, CA 90017-3856  
(213) 891-2231

#### **B. ORAL COMMUNICATIONS**

Any oral communications by the District's Contact Person(s) or designee concerning this RFP is not binding and shall in no way modify the RFP or the obligations of the District, Proposer or Contractor.

#### **C. CHANGES TO RFP**

If it is necessary to make material changes to the RFP, the District will mail, fax or e-mail written RFP addenda to all recipients of record of the original RFP and/or post such addenda on the District's Website. Recipients of record are those parties that obtained a copy of the RFP directly from the District. It shall be the responsibility of the Proposer to inquire of the District as to any addenda issued. This may be done by calling the Business Services Division at (213) 891-2231 prior to the proposal-submittal deadline. All addenda issued shall become part of the RFP.

#### **D. JOINT OFFERS / SUBCONTRACTORS**

Where two or more Proposers desire to submit a single proposal in response to this RFP, they should do so on a prime/subcontractor basis rather than as a joint venture or informal team. For this engagement, LACCD intends to contract with an individual firm and not with multiple firms doing business as a joint venture. If a subcontractor (including intermediary or wholesaler) is to be used, that fact must be disclosed in the proposal, together with the name of each subcontractor, method of compensation to subcontractor, and its duties in relation to the scope of work.

#### **E. EXCEPTIONS / DEVIATIONS**

Any exceptions to or deviations from the requirements set forth in this RFP, including the terms and conditions contained in the Standard Agreement, must be declared in the proposal submitted by the Proposer. Such exceptions or deviations must be segregated as a separate element of the proposal under the heading "Exceptions and Deviations," as instructed below in section IV.



## **F. AUTHORIZATION TO DO BUSINESS**

The Proposer must be authorized to do business in the State of California and, if applicable, in the local jurisdiction in which it is located or where the work will be performed. If a Proposer is a sole proprietorship or partnership, the Proposer should furnish with its proposal a copy of a current business license issued in California. If the Proposer is a corporation, it must be approved by the California Secretary of State to do business in California and should furnish with its proposal the corporate number issued by the Secretary of State.

## **G. PRE-CONTRACTUAL EXPENSES**

The District shall not be liable for pre-contractual expenses incurred by the Proposer in the preparation of its proposal and Proposers shall not include any such expenses in their offers. Pre-contractual expenses are defined as expenses incurred by the Proposer to: (1) prepare and submit its offer to the District; (2) negotiate with the District on any matters related to this RFP; and (3) any other expenses incurred by the Proposer prior to the date of award, if any.

Issuance of this RFP and receipt of proposals does not commit the District to award a contract. LACCD reserves the right to postpone the award for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one Proposer simultaneously, or to cancel all or part of this RFP.

## **H. WITHDRAWAL; PROPOSAL IRREVOCABLE FOR 90 DAYS**

A Proposer may withdraw its proposal at any time prior to the submittal deadline by sending the District a request in writing from the same person who signed the submitted proposal. As of the deadline for submittal, any proposal received by the District and not withdrawn becomes an irrevocable offer available for acceptance by the District immediately and for ninety (90) days thereafter. The Proposer is responsible for the accuracy of the proposal submitted, and no allowance will be made for errors or price increases that the Proposer later alleges are retroactively applicable.

## **I. DISPOSITION OF PROPOSALS**

All materials submitted in response to this RFP become the property of the District and become public records after the award of contract, except for information identified by the Proposer as being proprietary (subject to the limitations in section IV) and which is eligible for nondisclosure under the California Public Records Act.

## **J. IMMATERIAL DEFECTS IN PROPOSAL**

The District may waive any immaterial deviation or defect in a proposal. The District's waiver shall in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP if awarded the contract.

## **K. STANDARD AGREEMENT**

The Proposer selected for contract award through this RFP shall be required to enter into a written agreement with the District. The Standard Agreement for professional services presented in Exhibit B of this RFP is the contract proposed for execution. It may be modified to



incorporate other pertinent terms and conditions set forth in this RFP, including those added by addendum, and to reflect the Proposer's offer or the outcome of contract negotiations, if any. Exceptions and requested changes to the terms and conditions of the Standard Agreement, or the Proposer's inability or unwillingness to comply with any of the provisions of the Standard Agreement, must be declared in the proposal and will be considered as part of the proposal-evaluation process.

#### **L. TERM OF CONTRACT**

If a contract is awarded through this RFP, it will be effective upon full execution of the agreement for an initial term commencing July 1, 2007 and ending June 30, 2008, unless terminated earlier in accordance with the provisions specified in the District's Standard Agreement. Thereafter, the District reserves the right, at its sole option, to renew the contract up to a maximum of four (4) additional one-year terms extending through June 30, 2012. The District recognizes that marketing for the January 1, 2008 insurance renewal commences prior to the effective date of the Agreement, and these services are paid for during the corresponding contract period contingent upon the District authorizing binding coverage with the insurance company(ies). The marketing for each subsequent year occurs in the same manner wherein the marketing occurs prior to the effective date of the Agreement's contract term. No agreement with the District shall be in effect until a contract has been approved by the Board of Trustees of the Los Angeles Community College District, or designee, and has been signed by both parties.

#### **M. NEWS RELEASES**

News releases pertaining to any award resulting from this RFP may not be issued without the prior written approval of the District.

#### **N. USE OF DISTRICT EMPLOYEES' NAMES**

The successful Proposer must agree not to use the names or addresses of District employees for any purpose not directly related to this RFP.

#### **O. CONTRACTOR EVALUATION**

At the conclusion of the contract, the District may evaluate the contractor's performance. The results of this evaluation may be considered by the District in evaluating future proposals from the contractor and may be shared with other parties considering engaging the contractor.



#### IV. PROPOSAL FORMAT AND CONTENT

##### A. GENERAL

Proposals are to be submitted in 8½" x 11" size, typed and, if submitted in paper form, bound with a simple method of fastening. Lengthy narrative is discouraged; presentations should be brief and concise and not include extraneous or unnecessarily elaborate promotional material. The proposal should not exceed 50 pages in length, excluding appendices, if any. Proposers should use the following outline in organizing the contents of their proposals.

##### B. COVER LETTER

The letter of transmittal shall, at a minimum, contain the following:

- Identification of the Proposer, including business name, address and telephone number;
- Name, title, address, telephone number, fax number, and e-mail address of a contact person during the period of proposal evaluation;
- Acknowledgement of RFP addenda received, if any;
- A statement that the proposal shall remain valid for a period of not fewer than ninety (90) days from the due date for proposals;
- Identification of any information contained in the proposal which the Proposer deems to be, and establishes as, confidential or proprietary and wishes to be withheld from disclosure to others under the California Public Records Act or US Freedom of Information Act (a blanket statement that all contents of the proposal are confidential or proprietary will not be honored by the District); and
- Signature of a person authorized to bind the offering firm to the terms of the proposal.

##### C. TABLE OF CONTENTS

Immediately following the introduction and cover letter, insert a complete table of contents for material included in the proposal, including page numbers.

##### D. QUALIFICATIONS, RELATED EXPERIENCE AND REFERENCES

1. Overview: This section should establish the ability of the Proposer (and its subcontractors, if any) to satisfactorily perform the required work by reasons of: demonstrated competence in the services to be provided; the nature and relevance of similar work currently being performed or recently completed; record of meeting schedules and deadlines of other clients; competitive advantages over other firms in the same industry; strength and stability as a business concern; and supportive client references. Information should be furnished for both the Proposer and any subcontractors included in the offer.

2. Furnish background information about your firm, including date of founding, legal form (i.e., sole proprietorship, partnership, LLC, corporation/state of incorporation), number and location of offices, principal lines of business, number of employees, days/hours of operation and other pertinent data. Disclose any conditions (e.g., bankruptcy or other financial problems, pending litigation, planned office closures, impending merger) that may affect the Proposer's ability to perform contractually. Certify that the firm is not debarred, suspended or otherwise declared ineligible to contract by any federal, state or local public agency.



3. Describe your firm's most noteworthy qualifications for providing the required services to the District. Specifically highlight those qualifications that distinguish you from your competitors.
4. List all California community colleges and other public agencies to which your firm has provided employee benefits insurance broker and consulting services. Identify those at which health and welfare benefits are governed by joint labor/management benefits groups, such as committees or trusts.
5. Identify at least three (3) current and three (3) former clients LACCD may contact as references and who can independently evaluate the Proposer's expertise in this area. Describe the work performed and include the name, job title, address and telephone number of a contact person for each reference.
6. Identify all lost or terminated accounts within the past three years. For each account, identify the account's line of business, describe the services your firm provided, and state the reasons for the end of your working relationship.
7. Describe other lines of business in which your firm is engaged.
8. If your organization is a subsidiary or division of a parent firm, provide similar background information on the parent company and identify any other affiliated companies.
9. Describe your firm's policy on accepting contingent commissions, or any other sources of income, revenue, consideration, compensation or overrides, in connection with services provided to your clients. Describe your firm's disclosure policy.
10. Disclose any existing or potential conflicts of interest between the scope of work required by the District and your firm's other business activities.
11. Furnish certificates of insurance showing the types and amounts of insurance carried by your firm.

## **E. STAFFING AND PROJECT ORGANIZATION**

1. Overview: This section should discuss the staff who would be assigned to service the District's account, their projected levels of work, and their reporting relationships.
2. Identify the key personnel from your firm who would be assigned to this project. Include a brief description of their qualifications, current job functions (including other accounts to which they are committed), proposed roles on the LACCD account team, and office location(s). Designate a principal of the firm who would be ultimately responsible for the relationship and an Account Manager who would provide day-to-day direction of the required work. Furnish brief resumes (not more than two pages long) for all key personnel; include these as an appendix, not in the body of the proposal.
3. If more than two people will be assigned to LACCD's project, include a simple organization chart that clearly delineates communication and reporting relationships among the project staff.



4. Estimate the number of hours to be devoted to the LACCD account by each key personnel member. Assume not fewer than 1,400 hours per year to be spent on the District's account in the aggregate.

#### **F. WORK PLAN / TECHNICAL APPROACH**

1. Overview: This section should establish the Proposer's understanding of the District's objectives and requirements, demonstrate the Proposer's ability to meet those requirements and outline clearly and concisely the plan for accomplishing the specified work.

2. Describe succinctly how your firm would accomplish the work and satisfy the District's objectives described in this RFP. If appropriate, divide the work into segments or tasks to represent milestones for measuring progress.

3. Attach as an appendix a sample insurance renewal proposal your firm prepared for a client of the size and complexity of the District. You may de-identify the client and otherwise exclude information deemed proprietary to the client.

4. List all the names of the insurance companies that underwrite 30% or more of your firm's book of business. Project whether you would approach the same markets on behalf of the District's account or source other markets.

#### **G. FEE**

1. Overview: This section should disclose all charges to be assessed the District for the Scope of Work. Follow the format presented in Exhibit B, Addendum A ("Schedule of Payments") of this RFP.

2. Quote an annual total fixed flat fee for completing all requirements outlined in the Scope of Work, assuming a minimum of 1,400 professional hours of work (more hours may be proposed).

3. Quote a separate annual total fixed flat fee for the optional work of developing and producing communications materials.

4. Quote a firm fixed flat fee for the optional work of competitively marketing the District's medical plans.

5. For all fees requested above, quote for the Initial Term and for each of the potential four (4) option years that may follow. The annual total fixed fees shall be inclusive of all expenses and costs, including direct labor, indirect costs and profit.

6. State your preference for how payments should be made (e.g., monthly, quarterly, semi-annually).

7. The broker/consultant's only permitted source of income, revenue or compensation earned or received in connection with the District's account is the annual total fixed flat fee paid by the District. Any other source of income, revenue, consideration, or compensation, including, but not limited to, commissions and overrides received by the broker/consultant in connection with the District's account, must be disclosed and either remitted to the District or subtracted



from the fee receivable from the District.

## **H. EXCEPTIONS / DEVIATIONS**

State any exceptions to or deviations from the requirements of this RFP, including the Standard Agreement presented in Exhibit B. If you wish to present alternative approaches to meet the District's work requirements, these should be thoroughly explained.

## **I. APPENDICES**

- 1.** Furnish as appendices those supporting documents (e.g., staff resumes) requested in the preceding instructions.
  
- 2.** Include any additional information you deem essential to a proper evaluation of your proposal and which is not solicited in any of the preceding sections. Proposers are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous material; appendices should be relevant and brief.



## **V. PROPOSAL EVALUATION AND CONTRACT AWARD**

### **A. GENERAL**

All proposals received in accordance with these RFP instructions will be evaluated to determine if they are complete and meet the requirements specified in this RFP. An award will be made to the Proposer whose offer is judged to be the most advantageous to the District. The District expressly reserves the right to reject all proposals and make no award under this RFP.

### **B. EVALUATION PROCEDURES**

#### **1. Process**

All proposals received in accordance with these RFP instructions will be reviewed, analyzed, evaluated and scored in accordance with the criteria described below. If needed, additional information may be requested from one or more Proposers. Interviews and contract negotiations may be conducted with one or more Proposers. The evaluators will then select a Proposer for award. Any selection and contract award is subject to review by the District's Chancellor and authorization by the District's Board of Trustees.

#### **2. Request for Additional Information**

During the evaluation the District may require supplemental information in order to fairly evaluate a Proposer's offer. For this purpose, the District may request such information, including a best and final offer, from the Proposer after the initial submittal. If such information is required, the Proposer will be notified in writing (or by e-mail) and will be permitted a reasonable period of time to submit the information.

### **C. EVALUATION CRITERIA**

By use of numerical and narrative scoring techniques, proposals will be evaluated by LACCD against the factors specified below. The relative weights of the criteria—based on a 100-point scale—are shown in parentheses. Within each evaluation criterion listed, the subcriteria to be considered are those described in the "Proposal Format and Content" section of this RFP.

- Qualifications, experience, references of Proposer, and ability to carry out the Scope of Work (25 points);
- Staffing, Project Organization (20 points)
- Work Plan/Technical Approach (20 points);
- Fee (25 points)
- Miscellaneous (10 points) {exceptions/deviations, completeness of proposal, adherence to RFP instructions, other relevant factors not considered elsewhere}

The District reserves the right to reject any or all proposals, to waive any irregularities or informalities in the offers received and to change the evaluation process described above if circumstances dictate this or it is otherwise in the best interest of the District to do so. In the event a proposal(s) is rejected or otherwise does not result in a contract award, the District shall



not be liable for any costs incurred by the Proposer in connection with the preparation and submittal of the proposal.

#### **D. CONTRACT AWARD**

It is the intent of LACCD to award a single contract as the result of this RFP. However, the District reserves the right to apportion the requirements of this RFP among multiple contractors if this is determined to be in its best interests. Depending on the dollar amount of the award(s) and other factors, the contract(s) resulting from this RFP may require authorization by the District's Board of Trustees.



**EXHIBIT A**  
**SCOPE OF WORK**  
**EMPLOYEE BENEFITS INSURANCE BROKER AND CONSULTING SERVICES**

**A. Background**

LACCD is the largest community college district in the state, with nine colleges and more than 120,000 students. The District has an annual budget of about \$1.1 billion and a work force of nearly 6,000, including part-time employees.

LACCD offers one PPO and two HMO medical plans; one PPO and two HMO dental plans; one vision plan; and a basic life/voluntary life and accidental death and dismemberment (AD&D) term insurance plan. Also offered are IRC 125 flexible spending accounts for healthcare and dependent care and a premium-only plan (POP) for part-time faculty. Certain part-time instructors not eligible for the POP are offered access, at their own expense, to the District's plans. Finally, the District sponsors an employee assistance program (EAP). All the plans, except for the EAP, are based on the calendar year.

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The District's management and labor representatives are now studying alternatives to the JLMBC for administering the District's benefits programs, such as through a single-employer joint benefits trust or a multi-employer organization. The outcome of this evaluation could lead to a restructuring of the delivery model for the District's health and welfare benefits and, possibly non-renewal of the broker contract resulting from this RFP after one or two years.

**B. Contractor's Responsibilities**

1. Serve as designated insurance broker of record for Benefit Programs.
2. Negotiate and place employee Benefit plans as directed by the Board of Trustees.



3. Analyze insurance proposals according to criteria approved by the JLMBC and present the results of such analysis to the appropriate parties.
4. Negotiate all insurance renewals, including meeting directly with insurance company underwriters and place insurance as directed.
5. Analyze claim experience/financial development for all insurance coverages.
6. Prepare annual reports, in any reasonable annual format requested in advance by the JLMBC, for each line of coverage, analyzing financial developments, network utilization, insurer cost structures, etc., and make recommendations regarding changes, modifications and/or Benefit enhancements.
7. Collect agenda items for JLMBC, prepare and distribute meeting agendas, attend all meetings (monthly), take and distribute meeting notes, prepare financial reports, interpret and distribute carrier reports, coordinate presenters and attendees, follow-up with carriers, attendees and action items, and serve as the committee's Benefit resource.
8. Evaluate the appropriateness of self-funding dental and vision care Benefits.
9. In accordance with parameters and criteria established by the JLMBC, make recommendations regarding various Benefit and insurance plans, insurance carriers, health maintenance organizations, administrators and Benefit service providers.
10. Review all insurance, Benefit and administrative service documents for accuracy and adherence to prior agreements (but not perform a legal review).
11. Provide open enrollment support, including, but not limited to, developing timeline, assisting with the development of open enrollment materials and the determination of health fair attendees, and coordinating and participating in open enrollment meetings as reasonably requested.
12. Assist with budget projections on future costs of Benefit programs.
13. Review contracts with providers for accuracy in rates, Benefits, eligibility, and coverage definitions.
14. Review evidences of coverage (EOC) for accuracy, make recommendations regarding changes, modifications and/or benefit enhancements, and negotiate changes with carriers.
15. Assist with claims and billing issues as requested.
16. Assist with the implementation/transitioning of carriers/administrators.
17. Alert the District/JLMBC of legislative mandates and assist with compliance.
18. Attend meetings of the Board of Trustees as requested.

**Optional Work:**

1. Prepare and release request for proposals as directed by the JLMBC. Analyze insurance proposals according to criteria approved by the JLMBC and present the results of such analysis to the appropriate parties.
  
2. In coordination with others, develop, produce and coordinate the printing and distribution of Benefits communication materials including four (4) newsletters per year and three (3) annual highlights booklets detailing insurance plans offered and eligibility requirements. Newsletters are mailed to all benefit subscribers and the highlights booklets are mailed to all benefit eligible employees (approximately 10,000 booklets).



**EXHIBIT B**  
**PROFESSIONAL SERVICES AGREEMENT**

PARTIES:

LOS ANGELES COMMUNITY COLLEGE DISTRICT  
("District")

By: \_\_\_\_\_  
*[Name of College]*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ *[College Address]*

Attn: \_\_\_\_\_  
*[Contact name and phone number]*  
("College")

\_\_\_\_\_ ("Contractor")

\_\_\_\_\_

\_\_\_\_\_ *[Address]*

Attn: \_\_\_\_\_  
*[Contact name and phone number]*

DATE:

\_\_\_\_\_

TERM OF AGREEMENT:

\_\_\_\_\_

\_\_\_\_\_



**RECITALS**

WHEREAS, the District may contract for professional services to the extent permitted by law; and

WHEREAS, the Contractor has represented itself to be specially licensed and/or certified and/or trained, experienced and competent to perform the services described herein;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereby agree as follows:

**AGREEMENT**

1. **SERVICES.** The Contractor shall perform the Services set forth in Exhibit "A" (the "Services") in compliance with specifications and standards set forth in that Exhibit. The District shall have the right to order, in writing, changes in the scope of work or under the Services to be performed with any applicable version of the compensation paid hereunder agreed upon by the District and the Contractor. Any adjustment to fees, rate schedules, or schedule of performance can only be adjusted pursuant to written agreement between the parties. In performing the Services, Contractor hereby designates the following as "Key Personnel" under this Agreement. Contractor shall not reassign, replace or reduce the labor commitment of any Key Personnel without the prior written consent of the District.

<u>Name</u>	<u>Contractual Function</u>	<u>Estimated Hours</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. **WARRANTIES.** The Contractor warrants and represents that it is specially trained, qualified, duly licensed, experienced, and competent to provide the Services. The Contractor warrants that Services (and any goods in connection therewith) furnished hereunder will conform to the requirements of this Agreement (including all descriptions, specifications and drawings made a part hereof) and in the case of goods will be merchantable, fit for their intended purposes, free from all defects in materials and workmanship and to the extent not manufactured pursuant to detailed designs furnished by the District, free from defects in design. The District's approval of designs or specifications furnished by the Contractor shall not relieve the Contractor of its obligations under this warranty. All warranties, including special warranties specified elsewhere herein, shall inure to the District, its successors, assigns, and users of the goods or services.



3. **FEES.** The District shall pay the Contractor the fees set forth in Exhibit B, in accordance with the terms and conditions of this Agreement. The Contractor represents that such fees do not exceed the Contractor's customary current price schedule. The District shall pay all applicable taxes; excepting, however, the federal excise tax, and all state and local property taxes, as college districts are exempt therefrom. Payment shall be made by the District's Accounts Payable Office upon submittal of invoice(s) approved by the Vice-President of Administration, or designee, at the College.
4. **EXPENSES.** The Contractor shall assume all expenses incurred in connection with performance except as otherwise provided in this Agreement.
5. **TERM OF AGREEMENT.** This Agreement shall be for the term set forth above, unless sooner terminated pursuant to the terms hereof. Thereafter, the District reserves the right, at its sole option, to renew the contract up to a maximum of four (4) additional one-year terms extending through June 30, 2012. The District recognizes that marketing for the January 1, 2008 insurance renewal commences prior to the effective date of the Agreement, and these services are paid for during the corresponding contract period contingent upon the District authorizing binding coverage with the insurance company(ies). The marketing for each subsequent year occurs in the same manner wherein the marketing occurs prior to the effective date of the Agreement's contract term.
6. **TERMINATION OF AGREEMENT.** This Agreement may be terminated by the District by providing 30 days' prior written notice to the Contractor or immediately upon breach of this Agreement by the Contractor.
7. **DOCUMENTATION.** The Contractor agrees to provide to the District, at no charge, a sufficient number of nonproprietary manuals and other printed materials, as used in connection with the Services, and updated versions thereof, which are necessary or useful to the District in its use of the Services provided hereunder.
8. **RIGHTS IN DATA.** All technical communications and records originated or prepared by the Contractor pursuant to this Agreement including papers, reports, charts, computer programs, and other documentation, but not including the Contractor's administrative communications and records relating to this Agreement shall be delivered to and shall become the exclusive property of the District and may be copyrighted by the District. The ideas, concepts, know-how, or techniques relating to data processing, developed during the course of this Agreement by the Contractor or jointly by the Contractor and the District can be used by either party in any way it may deem appropriate. All inventions, discoveries or improvements of the computer programs developed pursuant to this Agreement shall be the property of the District. During the term of this Agreement, certain information which the District deems confidential ("Confidential Information") might be disclosed to the Contractor. The Contractor agrees not to divulge, duplicate or use any Confidential Information obtained by the Contractor during the Contractor's engagement. Such



Confidential Information may include, but is not limited to, student and employee information, computer programs, and data in the District's written records or stored on the District's computer systems.

9. **CONTRACTOR ACCOUNTING RECORDS.** Records of the Contractor's directly employed personnel, other consultants and reimbursable expenses pertaining to the work and records of account between the District and the Contractor shall be maintained on an accounting basis acceptable to the District and shall be available for examination by the District or its authorized representative(s) during regular business hours within one (1) week following a request by the District to examine such records. Failure by the Contractor to permit such examination within one (1) week of a request shall permit the District to withhold all further payments until such examination is completed unless an extension of time for examination is authorized by the District in writing.
10. **RELATIONSHIP OF PARTIES.** With regard to performance hereunder, the Contractor is an independent contractor and not an officer, agent, partner, joint venturer, or employee of the District. The Contractor shall not, at any time, or in any manner, represent that it or any of its agents or employees is in any manner agents or employees of the District.
11. **DISTRICT REPRESENTATIVE.** The contact person set forth above or his or her designee shall represent the District in the implementation of this Agreement.
12. **WAIVER OF DAMAGES; INDEMNITY.** The Contractor hereby waives and releases the District from any claims the Contractor may have at any time arising out of or relating in any way to this Agreement, except to the extent caused by the District's willful misconduct. Notwithstanding the foregoing, the parties agree that in no event shall the District be liable for any loss of the Contractor's business, revenues or profits, or special, consequential, incidental, indirect or punitive damages of any nature, even if the District has been advised in advance of the possibility of such damages. This shall constitute the District's sole liability to the Contractor and the Contractor's exclusive remedies against the District. Except for the sole negligence or willful misconduct of the District the Contractor shall indemnify, hold harmless and defend the District and its Board of Trustees, officers, employees, and agents from any liability, losses, costs, damages, claims, and obligations relating to or arising from this Agreement.

Without limiting the foregoing, the Contractor shall indemnify and hold harmless the District, and its Board of Trustees, officers, employees, and agents from all liability, losses, costs, damages, claims, and obligations of any nature or kind, including attorneys' fees, costs, and expenses, for infringement or use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance, registered or unregistered trademark, service mark, or trade name, furnished or used in connection with this Agreement. The Contractor, at its own expense, shall defend any action brought against the District to the extent that



such action is based upon a claim that the goods or software supplied by the Contractor or the operation of such goods infringes a patent, trademark, or copyright or violates a trade secret.

- 13. INSURANCE.** Without limiting the Contractor's indemnification of the District and as a material condition of this Agreement, the Contractor shall procure and maintain at its sole expense, for the duration of this Agreement, insurance coverage with limits, terms and conditions at least as broad as set forth in this section. The Contractor shall secure and maintain, at a minimum, insurance as set forth below, with insurance companies acceptable to the District to protect the District from claims which may arise from operations under this Agreement, whether such operations be by the Contractor or any subcontractor or anyone directly or indirectly employed by any of them. As a material condition of this Agreement, the Contractor shall furnish to the District certificates of such insurance and endorsements, which shall include a provision for a minimum thirty-days notice to the District prior to cancellation of or a material change in coverage.

The Contractor shall provide the following insurance:

- a) Commercial General Liability Insurance, "occurrence" form only, to provide defense and indemnity coverage to the Contractor and the District for bodily injury and property damage. Such insurance shall name the District as an additional named insured and shall have a combined single limit of not less than one million dollars (\$1,000,000) per occurrence. The policy so secured and maintained shall include personal injury, contractual or assumed liability insurance; independent contractors; premises and operations; products liability and completed operation; broad form property damage; broad form liability; and owned, hired and non-owned automobile insurance. The policy shall be endorsed to provide specifically that any insurance carried by the District which may be applicable to any claim or loss shall be deemed excess and non-contributory, and the Contractor's insurance primary, despite any provisions in the Contractor's policy to the contrary.
- b) Professional Liability insurance in an amount not less than two million dollars (\$2,000,000) per incident. If the policy is written on a claims made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following the termination of this Agreement.
- c) Workers' Compensation insurance with limits as required by the Labor Code of the State of California and Employers Liability insurance limits of not less than one million dollars (\$1,000,000) per accident.
- d) Business Automobile liability coverage covering owned, nonowned, and hired automobiles with a combined single limit of not less than one million dollars (\$1,000,000) per accident and aggregate. LACCD shall be endorsed as an additional insured.



Failure to maintain the insurance and furnish the required documents may terminate this Agreement without waiver of any other remedy the District may have under law.

14. **AMENDMENTS.** This Agreement is the entire agreement between the parties as to its subject matter and supersedes all prior or contemporaneous understandings, negotiations, or agreements between the parties, whether written or oral, with respect thereto. This Agreement may be amended only in a writing signed by both parties.
15. **ASSIGNMENT.** This Agreement may not be assigned or otherwise transferred, in whole or in part, by either the District or the Contractor without prior written consent of the other.
16. **GOVERNING LAW.** This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the parties hereunder, and any action arising from or relating to this Agreement, shall be construed and enforced in accordance with, and governed by, the laws of the State of California or United States law, without giving effect to conflict of laws principles. Any action or proceeding arising out of or relating to this Agreement shall be brought in the county of Los Angeles, State of California, and each party hereto irrevocably consents to such jurisdiction and venue, and waives any claim of inconvenient forum.
17. **NONDISCRIMINATION.** The Contractor hereby certifies that in performing work or providing services for the District, there shall be no discrimination in its hiring, employment practices, or operation because of sex, race, religious creed, color, ancestry, national origin, physical disability, mental disability, medical condition, marital status, or sexual orientation, except as provided for in section 12940 of the Government Code. The Contractor shall comply with applicable federal and California anti-discrimination laws, including but not limited to, the California Fair Employment and Housing Act, beginning with Section 12900 of the California Government Code, the provisions of the Civil Rights Act of 1964 (Pub. L. 88-352; 78 Stat. 252) and Title IX of the Education Amendments of 1972 (Pub. L. 92-318) and the Regulations of the Department of Education which implement those Acts. The Contractor agrees to require compliance with this nondiscrimination policy by all subcontractors employed in connection with this Agreement.
18. **EQUAL OPPORTUNITY EMPLOYER.** The Contractor, in the execution of this Agreement, certifies that it is an equal employment opportunity employer.
19. **ATTORNEYS' FEES AND COSTS.** If either party shall bring any action or proceeding against the other party arising from or relating to this Agreement, each party shall bear its own attorneys' fees and costs, regardless of which party prevails.



20. **BOARD AUTHORIZATION.** The effectiveness of this Agreement is expressly conditioned upon approval by the District's Board of Trustees.
21. **SEVERABILITY.** The Contractor and the District agree that if any part, term, or provision of this Agreement is found to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect other parts, terms, or provisions of this Agreement, which shall be given effect without the portion held invalid, illegal, or unenforceable, and to that extent the parts, terms, and provisions of this Agreement are severable.
22. **TERMINATION FOR NON-APPROPRIATION OF FUNDS.** If the term of this Agreement extends into fiscal years subsequent to that in which it is approved, such continuation of the Agreement is contingent on the appropriation and availability of funds for such purpose, as determined in good faith by the District. If funds to effect such continued purpose are not appropriated or available as determined in good faith by the District, this Agreement shall automatically terminate and the District shall be relieved of any further obligation.
23. **NOTICE.** Any notice required to be given pursuant to the terms of this Agreement shall be in writing and served personally or by deposit in the United States mail, postage and fees fully prepaid, addressed to the applicable address set forth above. Service of any such notice if given personally shall be deemed complete upon delivery, and if made by mail shall be deemed complete on the day of actual receipt or at the expiration of 2 business days after the date of mailing, whichever is earlier.
24. **CONFLICTS OF INTEREST.** The Contractor agrees not to accept any employment or representation during the term of this Agreement which is or may likely make the Contractor "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by the District on any matter in connection with which the Contractor has been retained pursuant to this Agreement.
25. **REQUIREMENTS FOR FEDERALLY FUNDED CONTRACTS**
- A) If this Agreement is funded by the District, in whole or in part, from revenues received from the Federal Government, then the following additional provisions shall apply. It shall be the Contractor's responsibility to ascertain if Federal funds are involved.
- B) Contractor, and any subcontractors at any tier, shall comply with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."



C) No contract, or any subcontract at any tier, shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold (currently \$100,000) shall provide the required certification regarding its exclusion status and that of its principal employees.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement in Los Angeles, California, on the date set forth above.

**CONTRACTOR**

**DISTRICT**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LOS ANGELES COMMUNITY  
COLLEGE DISTRICT  
By: THE BOARD OF  
TRUSTEES OF THE  
LOS ANGELES COMMUNITY  
COLLEGE DISTRICT

By:\_\_\_\_\_

By:\_\_\_\_\_

Name:\_\_\_\_\_

Name:\_\_\_\_\_

Title:\_\_\_\_\_

Title:\_\_\_\_\_

By:\_\_\_\_\_

Name:\_\_\_\_\_

Title:\_\_\_\_\_



**ADDENDUM A**

**SCHEDULE OF PAYMENTS**

TOTAL FEES:	Service Fees	RFP Fees	Communications Fees
July 1, 2007 to June 30, 2008	\$ _____	\$ _____	\$ _____
July 1, 2008 to June 30, 2009	\$ _____	\$ _____	\$ _____
July 1, 2009 to June 30, 2010	\$ _____	\$ _____	\$ _____
July 1, 2010 to June 30, 2011	\$ _____	\$ _____	\$ _____
July 1, 2011 to June 30, 2012	\$ _____	\$ _____	\$ _____

Total fees broken down in payment installments (e.g. monthly, quarterly, semi-annually):

\$ _____	\$ _____	\$ _____
\$ _____	\$ _____	\$ _____
\$ _____	\$ _____	\$ _____
\$ _____	\$ _____	\$ _____

The Contractor’s only source of income, revenue or compensation earned or received by the Contractor in connection to the District’s account is the annual total fixed flat fee paid to the Contractor by the District. Any other source of income, revenue, consideration, or compensation, including, but not limited to, commissions and overrides received by the Contractor in connection to the District’s account, must be disclosed and reimbursed back to the District.

The District recognizes that marketing for January 1 insurance renewals commences prior to the effective date of the Agreement, and these services are paid for during the corresponding contract period contingent upon the District authorizing binding coverage with the insurance company(ies). The marketing for each subsequent year occurs in the same manner wherein the marketing occurs prior to the effective date of the Agreement’s contract term.