



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF APRIL 20, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order and enter into an agreement for Contract 17-RFP-16 Flexible Spending Account Administrator with Chard Snyder & Associates, Inc. in an amount not to exceed \$195,000.00, Account 101-25000-612430

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with Chard Snyder & Associates, Inc. (Chard Snyder) to provide flexible spending account administration services for the period July 1, 2017 through December 31, 2021.

On January 18, 2017, Request for Proposal 17-RFP-16 Flexible Spending Account Administrator was publicly advertised. Ninety-one (91) firms were notified and twenty-five (25) requested proposal documents. On February 17, 2017, the District received seven (7) responsive proposals from the following vendors: Benefit Express, LLC; Benefit Resources, Inc.; Chard Snyder; ConnectYourCare, LLC; Lifetime Benefit Solutions, Inc.; Maestro Health; and WageWorks, Inc.

The proposals were evaluated by staff from the Human Resources Department and the Procurement and Materials Management Department. The criteria for these evaluations were outlined in Request for Proposal 17-RFP-16 and included: programs and services provided; experience and technical competence; financial stability; compliance with insurance requirements; possession of appropriate licenses/permits; and cost.

Following the preliminary evaluation of proposals, excluding cost, five (5) proposers were deemed to be finalists and were invited to interviews conducted March 22, 2017 and March 23, 2017. On March 27, 2017, a solicitation was sent to each of the five finalists that participated in the interviews requesting an unqualified "best and final" offer. The "best and final" offers were returned to the Director of Procurement and Materials Management on April 3, 2017.

Based on the evaluation of proposals and interviews, it is recommended that a purchase order be awarded to Chard Snyder. Chard Snyder received the highest technical score among the proposers. It has over 1,400 clients in 40 states with approximately 30% of these clients in the public sector. It utilizes a single "smart" card for medical flexible spending, dependent care and commuter spending accounts making it convenient for plan participants to utilize the benefits. It has a very high auto-adjudication rate of 93% for reimbursements requiring less submission of paper receipts by plan participants. The platform includes a user-friendly self-service portal and a mobile application for participant use. The service model provided is a personalized, customer-focused approach. The District will be provided with a dedicated account team to service its plan. Chard Snyder performs required annual non-discrimination compliance testing for the District plan at no additional cost to the plan and provides a robust menu of reports for plan administrators.

The Diversity Section reviewed the request for proposal and concluded that Appendix A would not be

applicable since the proposed services are dependent on the expertise of the vendor and cannot be subcontracted. Although Appendix A is not required, Chard Snyder is certified as a Women's Business Enterprise by the Women's Business Enterprise National Council (WBENC).

In view of the foregoing, it is requested that the Director of Procurement and Materials Management be authorized to award a contract to Chard Snyder in the amount of \$195,000.00. The estimated expenditures are \$20,000.00 in 2017, \$42,000.00 in 2018, \$43,000.00 in 2019, \$44,000.00 in 2020 and \$46,000.00 in 2021. Funds are available in Account 101-25000-612430 for 2017. Funds for 2018, 2019, 2020 and 2021 are contingent on the Board of Commissioners' approval of the District's budget for those years.

Recommended, Beverly K. Sanders, Director of Human Resources

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for April 20, 2017