

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: December 14, 2010

SUBJECT: Approve the One-year Renewal of Contract No. KN020766 with Financial Benefits Management Company for Employee Benefits Program Management in the Maximum Amount of \$18,000.00

ACTION REQUESTED

Approve the one-year renewal of Contract No. KN020766 with Financial Benefits Management Company (FBMC) of Tallahassee, FL for employee benefits program management in the maximum amount of \$18,000.00, and authorize the Purchasing Manager to sign the resulting contract amendment.

BACKGROUND

On May 22, 2007, your Board approved the award of Request for Proposals (RFP) No. 9681 to FBMC for a 43-month contract in the maximum amount of \$112,850.00. Through this contract, FBMC developed the plan documents and administered employee claims for calendar years 2008, 2009, and 2010 for the Management & Confidential Cafeteria Plan, the Placer Public Employee Organization and Placer County Deputy Sheriff Association Plan and the Tahoe Rural Health Subsidy Plan.

RFP 9681 specified the basic 43-month contract plus three possible one-year renewals based on the contractor's satisfactory performance and negotiation of mutually beneficial renewal terms. The Personnel Department desires to exercise the first one-year renewal option and FBMC has agreed to renew with no changes to the contract's terms and conditions. Your Board's approval is required for the Purchasing Manager to increase KN020766's total amount by \$18,000.00 to \$130,850.00.

FISCAL IMPACT

Upon your Board's approval, the Purchasing Manager will execute Amendment No. 1 to Contract No. KN020766. This amendment will renew the contract for the period of January 1, 2011 to December 31, 2011 in the maximum one-year amount of \$18,000.00.

Attachment: Fiscal Impact Statement

cc: Nancy Nittler, Lori Walsh, Ann Craig – Placer County Personnel Department

FISCAL IMPACT STATEMENT

TO: Jim Boggan, Purchasing Manager
FROM: Karen Mayer, Administrative Services Officer Senior
DATE: November 22, 2010
SUBJECT: Renewal of Contract with FBMC for the Cafeteria Plan Administration

The Personnel Department has budgeted the \$18,000.00 for the renewal of the Fringe Benefits Management Company in the approved Employee Benefits Budget for the current fiscal year. We will include any necessary funding for the remainder of the contract in the FY 11/12 budget.