



AGENDA REQUEST FORM

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

ITEM No.:

EE-14.

MEETING DATE	2018-11-07 10:05 - School Board Operational Meeting
AGENDA ITEM	ITEMS
CATEGORY	EE. OFFICE OF STRATEGY & OPERATIONS
DEPARTMENT	Procurement & Warehousing Services

Special Order Request <input type="radio"/> Yes <input checked="" type="radio"/> No
Time
Open Agenda <input checked="" type="radio"/> Yes <input type="radio"/> No

TITLE:
First Amendment to Agreement and Renewal - 16-017V - Consulting Services for Employee Benefits Program

REQUESTED ACTION:
Approve the First Amendment to Agreement for the above-referenced Request for Proposal (RFP). Contract Term: January 1, 2019 through June 30, 2019, 6 Months; User Department: Office of Financial Services; Award Amount: \$275,000; Awarded Vendor(s): Gallagher Benefit Services, Inc.; Small/Minority/Women Business Enterprise Vendor: S. Davis & Associates, P.A.

SUMMARY EXPLANATION AND BACKGROUND:
The contract for RFP 16-017V - Consulting Services for Employee Benefits Program was awarded to Gallagher Benefit Services, Inc. on August 18, 2015. The term of the initial contract period was October 1, 2015 through December 31, 2018, with an option for two (2) one (1) year renewals.
See Supporting Docs for continuation of Summary Explanation and Background.
The amendment to the agreement has been reviewed and approved as to form and legal content by the Office of the General Counsel.

SCHOOL BOARD GOALS:
 Goal 1: High Quality Instruction Goal 2: Continuous Improvement Goal 3: Effective Communication

FINANCIAL IMPACT:
The financial impact to the District for 2019 will be \$275,000. Gallagher has agreed to hold its rates flat for January 1, 2019 through June 30, 2019; and therefore, does require an additional financial impact to the Board. The funding for this RFP will come from the Fringe Benefits Clearing Account.

EXHIBITS: (List)
(1) Continuation of Summary Explanation and Background (2) Executive Summary (3) First Amendment to Agreement (4) Approved ARF 8-18-2015 RSBM EE-2 (5) SMWBE Participation

BOARD ACTION:
APPROVED
(For Official School Board Records Office Only)

SOURCE OF ADDITIONAL INFORMATION:	
Name: Dr. Dildra Martin-Ogburn	Phone: 754-321-3100
Name: Mary C. Coker	Phone: 754-321-0501

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Senior Leader & Title
Maurice L. Woods - Chief Strategy & Operations Officer

Approved In Open Board Meeting On: **NOV 07 2018**
By: *Nora Rupert*
School Board Chair

Signature
Maurice Woods
10/30/2018, 1:39:44 PM

**First Amendment to Agreement and Renewal
16-017V – Consulting Services for Employee Benefits Program
November 7, 2018**

CONTINUATION OF SUMMARY EXPLANATION AND BACKGROUND

This request is to approve the First Amendment to Agreement and the renewal of the contract for six (6) from January 1, 2019 through June 30, 2019.

EXECUTIVE SUMMARY

First Amendment to Agreement and Renewal 16-017V – Consulting Services for Employee Benefits Program

Introduction

Procurement & Warehousing Services (PWS)

This request is to approve the First Amendment to Agreement and Renewal for Request for Proposal (RFP) 16-017V – Consulting Services for Employee Benefits Program for a period of six (6) months from January 1, 2019 through June 30, 2019. This RFP provides services to the Benefits Department assisting with the development of RFPs under Florida Statute Section 112.08, analysis and design of benefits plans, including Internal Revenue Code Section 125, coupled with assistance in plan document drafting.

Goods/Services Description

Responsible: Office of Financial Services

A draft RFP 16-002V, Employee Benefits Insurance Consultant Services, was developed and subsequently reviewed in a public meeting by the Superintendent's Insurance & Wellness Advisory Committee (SIWAC) on October 9, 2014. The RFP was released through the Onvia DemandStar system on November 24, 2014. Subsequently, the School Board received one (1) proposal in response to the RFP from Gallagher Benefit Services, Inc.

Upon receipt of the sole proposal, an addendum was released on January 7, 2015, stating in part, "If only one (1) responsive proposal is received, the Committee will proceed without scoring the one responsive proposal and may negotiate the best terms and conditions with that sole proposer or may recommend the rejection of all proposals as permitted by Section 6A-1.012(12)(c), F.A.C."

On February 18, 2015, the School Board approved Board Item EE-5 to reject all bids for RFP 16-002V. The summary also informed the School Board that staff would conduct a vendor workshop, revise the RFP, and bring forth a follow-up item to extend the current contract with Gallagher Benefit Services, Inc., by ninety (90) days and to request additional spending authority for the extended period (until such time a new RFP would be released, proposals evaluated, and a recommendation to award a new contract could be submitted to the School Board). On May 19, 2015, the School Board approved Board Item EE-1 extending the contract and authorizing additional spending authority to allow for the re-release of the RFP.

In an effort to increase competition, respond to vendor questions, provide information and/or clarification, and to obtain feedback on the previously released RFP, PWS staff contacted numerous potential vendors via e-mail and telephone and inquired as to why they did not submit a Proposal, as well as invited them to attend a Pre-bid Conference. The Pre-bid conference allows potential vendors to comment on the contents of the previously released RFP and ask questions. The Pre-bid conference was held on Wednesday, March 25, 2015, at the TSSC Building from 9:30am-11:00 am; only one (1) potential vendor attended the meeting.

Based on feedback received, and a review by PWS & Office of Financial Services staff, the RFP was revised prior to its re-release on April 23, 2015. Staff from PWS contacted potential Proposers to alert them to the re-release of the RFP. Proposals were due on May 19, 2015; one (1) Proposer Gallagher Benefit Services, Inc., submitted a response to the RFP.

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16-017V – Consulting Services for Employee Benefits Program
November 7, 2018 Board Agenda
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As permitted by Section 6A-1.012(12)(c), F.A.C., the SIWAC entered into negotiations with the sole Proposer, Gallagher Benefit Services, Inc. on June 4, 2015, based on the scope of services, cost, and small/minority/women participation. As a result of the negotiations, SIWAC voted to recommend to the Superintendent the following award: Gallagher Benefit Services, Inc.

On August 18, 2015, the contract for RFP 16-017V - Consulting Services for Employee Benefits Program was awarded to Gallagher Benefit Services, Inc. The initial contract period is October 1, 2015 through December 31, 2018, with two (2) one (1) year renewal options.

On May 16, 2018, and June 13, 2018, the SIWAC held its annual contract renewal meetings. On June 13, 2018, the SIWAC voted unanimously to recommend approval of Gallagher Benefit Services' first one (1) year renewal option to the Superintendent of Schools. During the meeting Gallagher Benefit Services agreed to hold their rates flat for calendar year 2019; therefore, there is no additional cost impact to the School Board for 2019.

Gallagher Benefit Services, Inc. is a subsidiary of Arthur J. Gallagher & Co.; has more than one hundred-eighty (180) offices throughout the United States, is highly respected in the marketplace and is the largest governmental consulting firm in Florida. One (1) of Gallagher's primary focus is the K-12 market, providing expertise in the development and design of Employee Benefits Plans to their School District clients.

To date, Gallagher Benefit Services, Inc. is contracted with over eight hundred-fifty (850) clients in the Public Entity and Scholastic fields. Of those, fifty-three (53) percent represent counties and other governmental clients. Upon approval of this agenda item, the School Board and its employees will benefit from their expertise in the market and their understanding of The School Board of Broward County, Florida, objectives of lowering both School Board and employee cost, while providing high-value benefits to District employees.

**Procurement Method
Responsible: PWS**

The procurement method chosen is through a competitive solicitation, which is required by School Board Policy 3320, Part II, Rule D and Florida Administrative Code 6A-1.012(7). This solicitation was released to the public from April 23, 2015 through May 19, 2015, where four-hundred and twenty-five (425) vendors were notified, twenty-one (21) vendors downloaded the RFP documentation. PWS received only one (1) proposal. The proposal received was submitted by Gallagher Benefit Services, Inc.

Small/Minority/Woman Business Enterprise Participation

Gallagher Benefit Services, Inc. will be utilizing a certified Small/Minority/Woman Business Enterprise subcontractor, S. Davis & Associates, P.A., as needed, who will review Financial Statements provided by Proposers to determine whether the information submitted has been audited, in order to meet minimum qualifications of the RFP and equals approximately \$5,000 under this contract.

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16-017V – Consulting Services for Employee Benefits Program
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Financial Impact

Responsible: Office of Financial Services

Gallagher has agreed to hold its rates flat for 2019; therefore, the total spending authority requested for 2019 is a flat rate of \$275,000 and therefore does not require an additional financial impact to the School Board. The funding for this contract will come from the Fringe Benefits Clearing Account.

Next Steps

Responsible: PWS and Office of Financial Services

In anticipation of releasing an RFP in the next several months, PWS and Office of Financial Services conducted extensive preliminary research and outreach to potential vendors that would possibly be interested in responding to a future Benefits Consulting solicitation. The market canvassing included analysis of neighboring school district's solicitation requirements, bid responses and those District's current Benefits Consultant, compared to Broward County Public Schools (BCPS), as well as identifying market leaders and local vendors that would be interested in providing "Benefits Consulting" services to the District.

A wide range of firms were contacted, ranging from the top ten (10) in world-wide ranking to smaller, but capable firms that may be able to deliver satisfactory service. This in-depth analysis will be utilized to determine how the District can potentially increase responses from qualified vendors to the future Benefits Consulting RFP and communicate the District's needs accordingly. An overview of the consulting firms that were contacted are listed below:

Gallagher Benefit Services (Arthur J. Gallagher)

- Currently awarded and working with SBBC
- Top ten (10) world rank in this field
- Local office in Boca Raton
- AJG awarded on Orange County Schools RFP for Employee Consulting Services
- Experience with Public Agencies with 22,000+ Employees

Marsh & McLennan

- Top ten world rank in this field
- Contacted local office in Fort Lauderdale
- The firm is interested in participating in the bid process

Brown & Brown

- Contacted local office in Fort Lauderdale
- The firm is interested in participating in the bid process
- Lockton, Inc.

Brown & Brown (Continued)

- Top ten world rank in this field
- Contacted local office in Miramar and Miami
- The firm is interested in participating in the bid process

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16-017V – Consulting Services for Employee Benefits Program
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Aon Hewitt, Inc.

- Top 10 world rank in this field
- Contacted local office in Miami and Tampa
- AON awarded on Miami-Dade Public Schools RFP for Employee Consulting Services
- Experience with Public Agencies with 25,000+ Employees
- The firm is interested in participating in the bid process

USI Insurance

- Top 10 world rank in this field
- Contacted local office in Fort Lauderdale
- The firm is interested in participating in the bid process

Robinson-Bush

- Received company information from Orange County Public Schools' RFP.
- Contacted local agent in Orlando.
- The firm is interested in participating in the bid process

Hylant

- Received company information from Orange County Public Schools RFP.
- Contacted local agent in Orlando.
- The firm is interested in participating in the bid process

Willis Towers Watson

- Top 10 world rank in this field
- Contacted local office in Miami.
- The firm is interested in participating in the bid process

K & P Benefits

- Contacted local office in Sarasota.
- The firm is interested in participating in the bid process

CBIZ

- Contacted local office in Delray Beach.
- The firm is interested in participating in the bid process

Alliant

- Contacted regional office in Atlanta.
- The firm is interested in participating in the bid process

Gelin Benefits Group

- Contacted local office in Fort Lauderdale.
- The firm is interested in participating in the bid process

FBMC

- Contacted local office in Tallahassee.
- The firm is interested in participating in the bid process

Gehring Group

- Contacted local office in Palm Beach Gardens,
- The firm is interested in participating in the bid process

One Digital

- Contacted regional office in Jacksonville
- The firm is interested in participating in the bid process

Next Steps

PWS staff, along with Office of Financial Services staff will be conducting a Pre-bid Conference in an effort to respond to vendor questions, provide information and/or clarification and increase competition. PWS staff will release the Pre-bid Conference announcement via Onvia DemandStar, which will be held at the TSSC Building in or around November/December 2018. The release of the Benefits Consulting RFP will be targeted for January/February, 2019.

FIRST AMENDMENT TO AGREEMENT

7th THIS FIRST AMENDMENT TO AGREEMENT is made and entered into as of this day of November, 2018, by and between

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

(hereinafter referred to as "SBBC"),
a body corporate and political subdivision of the State of Florida,
whose principal place of business is
600 Southeast Third Avenue
Fort Lauderdale, Florida 33301

and

Gallagher Benefit Services, Inc.
(hereinafter referred to as "GBS"),
whose principal place of business is
2255 Glades Road, Suite 200E
Boca Raton, Florida 33431

WHEREAS, SBBC issued a Request for Proposal, identified as RFP 16-017V - Consulting Services for Employee Benefits Program, dated April 23, 2015, and amended by Addendum One dated, May 11, 2015 (hereafter referred to as "RFP") which are incorporated by reference herein, for the purpose of receiving proposals for Consulting Services for Employee Benefits Program; and

WHEREAS, GBS offered a proposal dated, May 18, 2015, (hereafter referred to as "Proposal") which is incorporated by reference herein, in response to RFP, and;

WHEREAS, SBBC and GBS entered into an Agreement dated, August 18, 2015 (hereafter "Agreement") for Consulting Services for Employee Benefits Program under RFP 16-017V; and

WHEREAS, the Parties mutually desire to amend certain provisions of the Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLES

1.01 **Recitals.** The Parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

2.01 **Term of Agreement.** The term of this First Amendment to Agreement is January 1, 2019 through June 30, 2019.

3.01 **Cost of Services.** The annual fee for the period January 1, 2019 through June 30, 2019 is \$275,000, to be paid in monthly installments.

In addition, SBBC shall pay GBS the following hourly rates for special projects requested by SBBC, which fall outside of the negotiated scope of services of the Agreement:

Lead Consultant	\$270 per hour
Senior Consultant	\$250 per hour
Attorney	\$250 per hour
Consultant	\$170 per hour
Actuary	\$285 per hour

4.01 **Order of Precedence Among Agreement Documents.** In the event of conflict between the provisions of the Agreement and the provisions contained herein, the provisions of the following documents shall take precedence in this order:

- a) This First Amendment to Agreement; then
- b) The Agreement dated, August 18, 2015; then
- c) Addendum Number One dated, May 11, 2015; then
- d) RFP 16-017V - Consulting Services for Employee Benefits Program; then
- e) The Proposal submitted by GBS in response to the RFP.

In case of any other doubts or difference of opinion, the decision of SBBC shall be final and binding on both Parties.

5.01 **Other Provisions Remain in Force.** Except as expressly provided herein, all other provisions of the Agreement remain in full force and effect.

6.01 **Authority.** Each person signing this First Amendment to Agreement on behalf of either Party individually warrants that he or she has full legal power to execute this First Amendment to Agreement on behalf of the Party for whom he or she is signing, and to bind and obligate such Party with respect to all provisions contained in this First Amendment to Agreement.

IN WITNESS WHEREOF, the Parties hereto have made and executed this First Amendment to Agreement on the date first above written.

FOR SBBC

(Corporate Seal)

ATTEST




Robert W. Runcie, Superintendent of Schools

THE SCHOOL BOARD OF BROWARD
COUNTY, FLORIDA

By 
Nora Rupert, Chair

Approved as to Form and Legal Content:


Office of the General Counsel

FOR GBS

(Corporate Seal)

ATTEST:

Gallagher Benefit Services, Inc.

By [Signature]
Jeffrey P. Angello, Florida Area President

Printed Name: Jeffrey P. Angello

Title: Florida Area President

_____, Secretary

-or-

[Signature]
Witness

[Signature]
Witness

The Following Notarization is Required for Every Agreement Without Regard to Whether the Party Chose to Use a Secretary's Attestation or Two (2) Witnesses.

STATE OF Florida

COUNTY OF Broward

The foregoing instrument was acknowledged before me this 17 day of October, 2018 by Jeffrey P. Angello of Gallagher Benefit Services, Inc. on behalf of the corporation/agency.

He/She is personally known to me or produced FL DL as identification and did/did not first take an oath. Type of Identification

My Commission Expires:

[Signature]
Signature - Notary Public

Lanisia Butler
Printed Name of Notary

GG 184420
Notary's Commission No.

(SEAL)



LANISIA BUTLER
Commission # GG 184420
Expires February 11, 2022
Bonded Thru Budget Notary Services



AGENDA REQUEST FORM

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Special Order Request
<input type="radio"/> Yes <input checked="" type="radio"/> No
Time
Open Agenda
<input checked="" type="radio"/> Yes <input type="radio"/> No

MEETING DATE	Aug 18 2015 10:15AM - Regular School Board Meeting
AGENDA ITEM	OPEN ITEMS
CATEGORY	EE. OFFICE OF STRATEGY & OPERATIONS
DEPARTMENT	Procurement & Warehousing Services

ITEM No.:
EE-2.

TITLE:
Recommendation of \$500,000 or Greater - 16-017V - Consulting Services for Employee Benefits Program

REQUESTED ACTION:
Approve the recommendation to award the above contract. Contract Term: October 1, 2015, through December 31, 2018; 3 Years, 3 Months; User Department: Benefits & Employment Services; Award Amount: \$1,800,000; Awarded Vendor(s): Gallagher Benefit Services, Inc.; M/WBE Vendor(s): None

SUMMARY EXPLANATION AND BACKGROUND:
The School Board of Broward County, Florida, received one (1) proposal from Gallagher Benefit Services, Inc., in response to RFP 16-017V - Consulting Services for Employee Benefits Program.
See Supporting Docs for continuation of Summary Explanation and Background.

A copy of the RFP documents are available online at: <http://www.broward.k12.fl.us/supply/agenda/16-017V-CSFEBP.pdf>
This Agreement has been reviewed and approved as to form and legal content by the Office of the General Counsel.

SCHOOL BOARD GOALS:
 Goal 1: High Quality Instruction Goal 2: Continuous Improvement Goal 3: Effective Communication

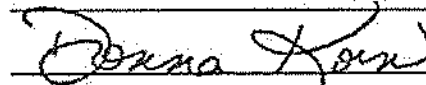
FINANCIAL IMPACT:
The estimated financial impact will be \$1,800,000 for the term of the initial contract period.
See Supporting Docs for continuation of Financial Impact.

EXHIBITS: (List)
(1) Continuation of Summary Explanation and Background (2) Continuation of Financial Impact (3) Executive Summary (4) Agreement (5) Recommendation Tabulation (6) Financial Analysis Worksheet (7) MWBE Participation (8) No Bid Responses (9) Supplier Evaluation

BOARD ACTION: <h2 style="text-align: center;">APPROVED</h2> <small>(For Official School Board Records Office Only)</small>	SOURCE OF ADDITIONAL INFORMATION:	
	Name: Dr. Dildra Martin-Ogburn	Phone: 754-321-3100
	Name: Ms. Ruby Crenshaw	Phone: 754-321-0501

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Senior Leader & Title
Maurice L. Woods - Chief Strategy & Operations Officer

Signature
Maurice Woods
Tuesday, August 04, 2015 10:58:30 AM

Approved In Open Board Meeting On: **AUG 18 2015**
By: 
School Board Chair

**The School Board of Broward County, Florida
 Request for Proposal (RFP) 16-017V
 Consulting Services for Employee Benefits Program
 S/M/WBE Participation**

S/M/WBE Vendor(s)	Certification Number	Expiration Date	S/M/WBE Sub-Consultant Participation and Community Involvement	SBBC Scholarship Foundation – Commitment to Minority Students
S. Davis & Associates, P.A.	7007-762	March 6, 2021	CPA and Auditing Services - \$500 per project	N/A

HP Office Products was the second WBE vendor that was originally certified on this list. HP Office products is no longer certified with the Supplier Diversity Outreach Program Department since HP Office Product's office is located in Daytona Beach and not within the Tri-County area. HP Office products certification expired on July 29, 2017.