

**BOARD OF SUPERVISORS AGENDA ITEM SUMMARY**

Requested Board Meeting Date: June 17, 2014

**ITEM SUMMARY, JUSTIFICATION and/or SPECIAL CONSIDERATIONS**

Amendment of Award: MA #1300000000000000512, Amendment # 1, Application Software, Inc. dba ASI Flex and/or ASI COBRA, to provide COBRA and Flexible Spending Account, Dependent Care and Qualified Transportation Benefit Administration Services; increase contract amount by \$810,000.00, Funding Source: Employee Contributions (no cost to the County), Administering Department: Human Resources.

**BACKGROUND**

Pursuant to RFP 70513, this contract was awarded by the Board of Supervisors on March 5, 2013 for an initial three year term in the total amount of \$105,000.00 for only those administration fees paid by the County. The award also included two one-year renewals of which none have been executed. The award amount excluded the amount and cost of services funded by County employees that enrolled for the services collected via payroll deductions.

The current contract amount is \$105,000; the initial and current 3-year term expires June 30th, 2016; historical administrative fee expenditures funded by the County average about \$1,212.60 per month and as of April 15th, 2014 the contract has an unused contract amount of \$92,875.40. The major user and administering department of this contract is Human Resources.

This amendment to increase the award and contract amount by \$810,000.00 for the remaining two years of the initial contract term is requested by Human Resources to establish a more efficient and complete accounting and payment process by allowing Human Resources and Finance and Risk Management to include the payment of employee funded expenses in the contract and the AMS accounting and payment system. The requested additional award amount is at no cost to the County as it is funded by enrolled employees.

If the requested action is approved the resulting award amount for the initial three year period will be increased by \$810,000.00 to reflect and document employee funded expenditures for the period beginning July 1, 2014 through June 30, 2016.

Effective Date: July 1, 2014  
Termination Date: June 30, 2016  
Original Contract Amount: \$ 105,000.00  
Prior Amendment Amounts: \$ 0.00  
This Amendment Amount: \$ 810,000.00  
Revised Contract Amount: \$ 915,000.00

Contract number: MA-PO-13-512-01  
Effective Date: 6-30-14  
Term Date: 6-30-16  
Cost: \$810,000.-  
Revenue: \_\_\_\_\_  
Total: \_\_\_\_\_ NTE: \_\_\_\_\_  
Action: 4-1-16  
Renewal By: \_\_\_\_\_  
Term: 6-30-16  
Reviewed by: [Signature]

JUN 04 14 AM 11:05 PC CLK OF BO

Contract Officer: *Jennifer Moore*, Phone: 520.724.8164 Procurement Department

Payment System: AMS

CLERK OF BOARD USE ONLY: BOS MTG. \_\_\_\_\_ ITEM NO. \_\_\_\_\_

130 5/15/14

Ver. 3  
Vendor 1  
7/5 2

To: CoB - 6-4-14  
Agenda - 6-17-14  
(2)

Procure Dept 05/16/14 PM 02:03

<p><b>PIMA COUNTY DEPARTMENT OF HUMAN RESOURCES</b></p> <p><b>PROJECT:</b> COBRA and Flexible Spending Account, Dependent Care and Qualified Transportation Benefit Administration Services</p> <p><b>CONTRACTOR:</b> Application Software, Inc dba ASI Flex and/or ASI COBRA</p> <p><b>CONTRACT NO.:</b> MA 13000000000000000512</p> <p><b>CONTRACT AMENDMENT NO.:</b> One (#01)</p>	<table border="1"> <tr> <td colspan="2" style="text-align: center;"><b>CONTRACT</b></td> </tr> <tr> <td><b>NO.</b></td> <td><i>MA-PO-13000000000000000512</i></td> </tr> <tr> <td><b>AMENDMENT NO.</b></td> <td><i>01</i></td> </tr> <tr> <td colspan="2"> <p>This number must appear on all invoices, correspondence and documents pertaining to this contract.</p> </td> </tr> </table>	<b>CONTRACT</b>		<b>NO.</b>	<i>MA-PO-13000000000000000512</i>	<b>AMENDMENT NO.</b>	<i>01</i>	<p>This number must appear on all invoices, correspondence and documents pertaining to this contract.</p>	
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<b>ORIG. CONTRACT TERM:</b> 07/01/2013 - 06/30/2016	<b>ORIG. CONTRACT AMOUNT:</b> \$105,000.00
<b>TERMINATION DATE PRIOR AMENDMENT:</b> N/A	<b>PRIOR AMENDMENTS:</b> \$N/A
<b>TERMINATION THIS AMENDMENT:</b> 06/30/16	<b>AMOUNT THIS AMENDMENT:</b> \$810,000.00
	<b>REVISED CONTRACT AMOUNT:</b> \$915,000.00

**CONTRACT AMENDMENT**

WHEREAS, COUNTY and CONTRACTOR entered into a Contract for services as referenced above; and

WHEREAS, CONTRACTOR and COUNTY have agreed to increase the contract amount to allow payment of Administration Fees paid by the County and for transfer of employee funds to Administrator for the continued provision of services during the extended term of the contract.

NOW, THEREFORE, it is agreed as follows:

**CHANGE: ARTICLE III - COMPENSATION AND PAYMENT:**

- From: "In consideration for the goods and services specified in this Contract, the COUNTY agrees to pay CONTRACTOR in an amount not to exceed One Hundred Five Thousand dollars \$105,000.00. Total payment for this Contract shall not exceed \$235,000.00."
- To: "In consideration for the goods and services specified in this Contract, the COUNTY agrees to pay CONTRACTOR in an amount not to exceed \$105,000.00 annually for Fees required to be paid by the County for contract administration services and \$300,000.00 annually for fees paid by employees.. Total payment for this Contract shall not exceed Nine Hundred Fifteen Thousand dollars \$915,000.00."

The effective date of this Amendment shall be June 30, 2014.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

**APPROVED:**

\_\_\_\_\_  
Chair, Board of Supervisors

\_\_\_\_\_  
Date

**CONTRACTOR:**

*Jan L. Jackson*  
\_\_\_\_\_  
Signature

*Jan L. Jackson, VP & General Counsel*  
\_\_\_\_\_  
Name and Title (Please Print)

*4/15/2014*  
\_\_\_\_\_  
Date

**ATTEST**

\_\_\_\_\_  
Clerk of Board

\_\_\_\_\_  
Date

**APPROVED AS TO FORM:**

*[Signature]*  
**MARC NATELSKY**

\_\_\_\_\_  
Deputy County Attorney

*3/28/14*  
\_\_\_\_\_  
Date

**APPROVED AS TO CONTENT**

*[Signature]*  
\_\_\_\_\_  
Department Head

*3/31/14*  
\_\_\_\_\_  
Date