

Portland, Oregon

## FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Yvonne L. Deckard	2. Telephone No. 823.3506	3. Bureau/Office/Dept. Human Resources
4a. To be filed (date):  11/16/11	4b. Calendar (Check One)  Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst:  11/3/11
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed

**1) Legislation Title:**

\* Authorize a contract and provide for payment to furnish Electronic Benefit Administrative Services in support of active employee, retiree and COBRA participants and the Benefits Office within the Bureau of Human Resources. (Ordinance)

**2) Purpose of the Proposed Legislation:**

The Bureau of Human Resources requires the replacement of the City of Portland's current electronic administrative solution supporting active employee health and welfare plans and seeks the Council's authorization for Procurement Services to conduct this competitive Request for Proposal (RFP) for electronic benefits administrative services supporting the administration of active, retiree and COBRA health and welfare plans.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |   |                                    |                                    |                                |
|---|------------------------------------|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional                           | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast                            | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                                 |                                    |                                    |                                |
| <input checked="" type="checkbox"/> Internal City Government Services |                                    |                                    |                                |

**FINANCIAL IMPACT****4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.**

This legislation will not generate any direct revenue to the City.

**5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)**

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Costs will be related to purchases resulting from the proposed RFP. Current funding for electronic administrative services required for the administration of health and welfare plans is provided within the Health Fund and is not expected to increase should a new vendor be selected.

**6) Staffing Requirements:**

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

There are no current year position changes resulting from this legislation.

- **Will positions be created or eliminated in future years as a result of this legislation?**

There are no future year position changes resulting from this legislation.

*(Complete the following section only if an amendment to the budget is proposed.)*

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>

**[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]**

**PUBLIC INVOLVEMENT**

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

YES: Please proceed to Question #9.

NO: Please, explain why below; and **proceed to Question #10.**

Public involvement was not included in the development of this Council item as the Request for Proposal has yet to be authorized.

9) If "YES," please answer the following questions:

- a) What impacts are anticipated in the community from this proposed Council item?
- b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?
- c) How did public involvement shape the outcome of this Council item?
- d) Who designed and implemented the public involvement related to this Council item?
- e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Future public involvement will include the Council Meeting on November 16, 2011, the competitive solicitation, if authorized by Council and the Chief Procurement Officer's report to Council recommending award of the resulting price agreement to the lowest responsible and responsive bidder.

*Yvonne L. Deckard by AL*

BUREAU DIRECTOR - Yvonne L. Deckard, Bureau of Human Resources Director



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Office of Management and Finance

**FOR MAYOR'S OFFICE USE  
ONLY**

**DATE:** November 3, 2011

**TO:** Mayor Sam Adams

**FROM:** Yvonne L. Deckard

*Yvonne L. Deckard by ALK*

Reviewed by Bureau Liaison \_\_\_\_\_

**RE:** \* Authorize a contract and provide for payment to furnish Electronic Benefit Administrative Services in support of active employee, retiree and COBRA participants and the Benefits Office within the Bureau of Human Resources. (Ordinance)

1. **INTENDED THURSDAY FILING DATE:** November 3, 2011
2. **REQUESTED COUNCIL AGENDA DATE:** November 16, 2011
3. **CONTACT NAME & NUMBER:** Cathy L. Bless 503-823-5207
4. **PLACE ON:**  CONSENT  REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:**  Yes  No  N/A
6. **THREE (3) ORIGINALS OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:**  Yes  No  N/A

**7. BACKGROUND/ANALYSIS:**

The Bureau of Human Resources seeks the Council's authorization for Procurement Services to conduct a competitive Request for Proposal (RFP) for electronic benefits administrative services supporting the administration of active, retiree and COBRA health and welfare plans. The Benefits Office requires an integrated service that provides comprehensive benefit administrative support. Such a system would reduce current duplicate entry requirements, provide for less paper intensive enrollment for retiree and COBRA participants and allow automatic payment transactions online. While active employee administration has been on an electronic platform since 2003, the retiree and COBRA functions have not and the process for administration is increasingly complex and time consuming. Representatives from BHR, EBS, Accounting, OMF and BTS have agreed that new configuration within the SAP system will require extensive research, time and planning. A Cross Functional Team has been developed and will research an appropriate decision on additional configuration of the Benefits Module within SAP by July 2014.

**Legal issues** - none known

**Controversial issues** - none known

**Citizen participation** - none

**Link to current city policies** - none

**Other governmental participation** - none

**8. FINANCIAL IMPACT:**

Costs will be related to purchases resulting from the proposed RFP. Current funding for electronic administrative services required for the administration of health and welfare plans is provided within the Health Fund and is not expected to increase should a new vendor be selected

**9. RECOMMENDATION/ACTION REQUIRED:**

Authorize a competitive RFP and subsequent contract for Electronic Benefit Administrative Services.

**Sam Adams, Mayor**

**We are an equal opportunity employer**

Please notify the City of Portland of the need for ADA accommodations no less than five (5) days prior to any City-sponsored event by contacting the Bureau of Human Resources at 503-823-3572 or the City's TTY at 503-823-6868.

