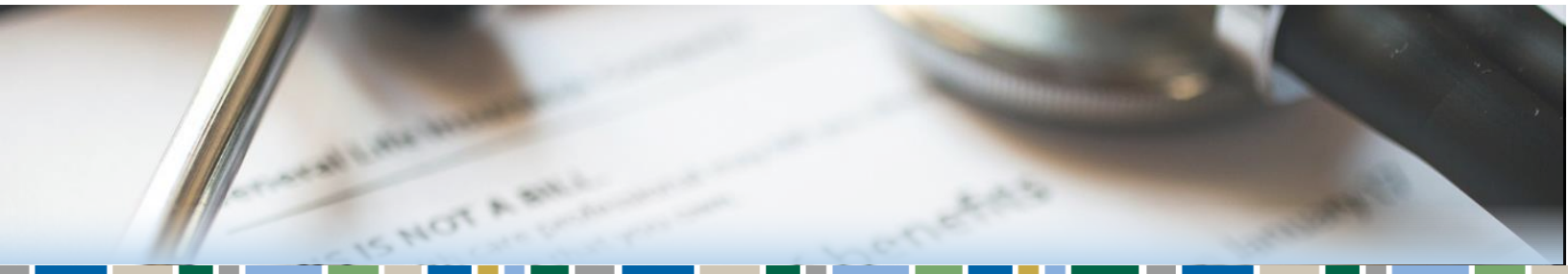


Amendment 1 to Section 125 Request for Proposal

Questions RE: Request for Proposal Section 125 Administration

- 1) Is Flex Made Easy filing of the 5500 included for the \$3.00 PPM or are they simply providing the date for the District to complete the 5500?
The District is not subject to ERISA. Therefore, 5500 filing is not required.
 - a. Do you want the new administrator to complete & file the 5500 or just provide the data?
5500 filing is not required.
- 2) Page 10 #3 – Is email an acceptable form of communication with the employee or do they only want postal communication?
Email is acceptable.
- 3) Page 10, #4 – Does the current fee of \$3.00 PPM include the debit cards?
Yes
 - a. If not, what is the additional charge? Is there a fee for replacement or additional card orders?
No additional charge for initial card. There is a \$5.00 for replacement or additional debit cards.
 - b. If yes, does Flex Made Easy currently administrating DCA via the debit card?
The process is compliant with IRS regulations. The Benny card may be used at providers that allow debit transactions and the card reader must be compliant per IAS standards. Just a note that very few are due to the expense of having a card reader programed as such.
- 4) The items listed under Explain My Benefits on page 11, #5, are those the services that the online enrollment system does or are you asking which of those we integrate with?
They are services which the online enrollment system provides. Selected carrier would need to be able to accept EDI feeds from the online enrollment system.
- 5) What drives the School's decision to quote at this point?
The Board requires that all vendor contracts be bid out every three years.
- 6) Pain points with their current administration?
The Board requires that all vendor contracts be bid out every three years.
- 7) How many unique FSA participants are there?
116 Employees participate in the FSA only
14 Employees participate in the Limited FSA only
86 Employees participate in the DCA
20 Employees participate in both the FSA and DCA
4 Employees Participate in both the Limited FSA and DCA

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- 8) We noted that they currently offer a Limited medical FSA, do they currently offer an HSA with that plan? If so, would you like us to quote that line of business as well?
Yes, they offer an HSA. However, PHSD does not want HSA services included in the quote.
 - 9) We noted that the monthly administrative fee is currently charged directly to the participant. Is this process to stay in place when moving to a new administrator?
Yes, this fee will be charged directly to the participant.
 - 10) Are there any servicing issues to be mitigated?
The Board requires that all vendor contracts be bid out every three years.
 - 11) Does the current administrator bill a per participant per month fee for individuals who do not make a new plan year election, but have carryover funds?
Yes, the participant is charged the monthly fee until the carryover funds are depleted.
 - 12) Is there a minimum dollar amount that employees can carry over?
No.
 - 13) Can you validate that the current debit card process is fully compliant with IRS regulations?
Yes. Participants are required to comply with substantiation procedures established by the Plan Administrator in accordance with Rev. Rul. 2003-43, IRS Notice 2006-69, or other IRS guidance.
 - 14) Are performance guarantees in place now?
No.