



REQUEST FOR PROPOSALS

SECTION 125 FLEXIBLE BENEFITS PLAN FOR DAVIDSON COUNTY BOARD OF EDUCATION (DBA DAVIDSON COUNTY SCHOOLS)

RFP Title	Section 125 – Flexible Benefits Plan
Issue Date	October 1, 2026
Questions Due	October 30, 2026
Proposal Due	November 30, 2026 @ 4p.m.
Anticipated Award	January 4, 2027
Contract Effective Date	September 1, 2027

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1.0 Purpose and Background

Davidson County Board of Education, doing business as Davidson County Schools (DCS), is soliciting proposals from qualified firms to provide Section 125 Flexible Benefits Plan administration, benefit consulting/brokerage, enrollment support, and related voluntary benefit services for eligible DCS employees.

DCS seeks a partner with demonstrated experience serving North Carolina public school systems or similarly sized public-sector employers. The selected firm will be expected to provide compliant administration, strong employee service, effective enrollment and communication support, reliable data integration, transparent compensation, and competitive voluntary benefit offerings.

This solicitation does not indicate dissatisfaction with any current provider. DCS is conducting a competitive process to ensure that employees continue to receive high-quality benefit services, products, administration, and support.

1.1 District Profile

DCS currently serves approximately 2,400 employees across approximately 35 schools and administrative/operational sites. Vendors should size staffing, enrollment, implementation, and customer-service commitments accordingly.

DCS may provide additional census, enrollment, deduction, or claims information to finalists or the selected firm when appropriate and subject to confidentiality requirements.

1.2 Services Outside the Scope

Unless specifically added by written addendum, this RFP does not solicit administration of the North Carolina State Health Plan, state retirement plans, 401(k)/457/403(b) retirement arrangements, or other deductions administered independently by the State or third parties.

2.0 Procurement Schedule and Communications

Event	Date / Time
RFP issued	October 1, 2026
Deadline for written questions	October 30, 2026
DCS responses/addendum issued	November 9, 2026
Proposal deadline	November 30, 2026 @ 4p.m.
Optional finalist interviews/presentations	December 9-18, 2026
Anticipated Board award	January 4, 2027
Anticipated contract effective date	September 1, 2027

2.1 Questions

All questions concerning this RFP must be submitted in writing to:

Contact	Ashley Crawford, Chief Finance Officer
Email	ashleycrawford@davidson.k12.nc.us
Phone	(336) 242-5561
Subject Line	Section 125 RFP Questions

DCS may issue written addenda in response to questions or to modify the solicitation. Vendors are responsible for ensuring they have received and acknowledged all addenda before submitting a proposal. Additionally, all questions submitted and responses provided by DCS will be shared with all companies.

2.2 Restricted Communications

From issuance of this RFP through award, vendors and their representatives shall not attempt to influence the evaluation or award through direct contact with Board members, evaluation committee members, or other DCS employees except through the designated procurement contact or as specifically invited by DCS. DCS may disqualify a vendor for prohibited communications.

3.0 Proposal Submission Requirements

Proposals must be received no later than the deadline shown in Section 2.0. Late proposals may be rejected. Vendors are responsible for timely delivery regardless of delivery method.

RFP Title	Section 125 – Flexible Benefits Plan
Delivery Address (Physical)	1140 Kendall Mill Rd, Thomasville, NC27360

Delivery Address (US Postal)	PO Box 2057, Lexington, NC 27293-2057
Required Copies	10
Package Marking	Section 125 Flexible Benefits Plan Proposal
Proposal Validity	At least 90 days from proposal deadline

- Submit the proposal in the exact order shown in Section 9.0 and clearly label each section.
- Submit a signed Certification and Execution form (Attachment D).
- Identify all exceptions to the RFP in a single, clearly labeled section. Silence will be interpreted as acceptance of the stated requirement, subject to any contract negotiations authorized by DCS.
- DCS is not responsible for costs incurred in preparing, presenting, or negotiating a proposal.
- All submitted materials become part of the procurement record and may be subject to applicable North Carolina public records requirements. Vendors should clearly identify material they contend is confidential or proprietary and provide the legal basis for that designation; DCS cannot guarantee confidentiality where disclosure is required by law.

4.0 Contract and General Requirements

4.1 Contract Term

DCS anticipates an initial contract term of three years beginning September 1, 2027. DCS may include early termination and/or renewal options in the final contract. Any renewal will be subject to satisfactory performance, continued need, funding, and mutually acceptable terms.

4.2 Licensing and Compliance

- Vendor and all individuals performing regulated insurance activities must maintain all licenses required by the State of North Carolina for the duration of the contract.
- Vendor shall administer the Section 125 plan and related services in accordance with all applicable federal and state laws, regulations, IRS guidance, and plan documents.
- Vendor shall perform required nondiscrimination testing, required reporting, and applicable tax filings associated with the services it is contracted to administer.
- Vendor shall promptly notify DCS of material legal or regulatory changes affecting the plan and recommend operational or document changes needed for compliance.
- Vendor shall maintain appropriate insurance, fidelity bond coverage, and other risk protections customary for the services provided and shall furnish evidence upon request.

4.3 Transition and Termination

The selected vendor shall provide a detailed implementation and transition plan. Upon expiration or termination, the vendor shall cooperate in an orderly transition of records, eligibility/enrollment data, deduction files, account balances, participant communications, and other information reasonably required to avoid disruption to employees or DCS.

5.0 Scope of Services

The selected vendor will serve as DCS's Section 125 flexible benefits administrator and benefits service partner. The proposal must address each service below and identify any service delivered by a subcontractor or third-party administrator (TPA).

- Administer the DCS Section 125 cafeteria plan, including medical/health care flexible spending accounts and dependent care flexible spending accounts, as applicable.
- Provide plan document support, amendments, required notices, nondiscrimination testing, reporting, and compliance guidance.
- Provide FSA claim adjudication, reimbursement, account administration, participant support, and debit/Flex card services if offered.
- Provide annual open enrollment planning and execution, including on-site and/or virtual employee education, individual counseling, and online enrollment.
- Provide ongoing new-hire, qualifying-life-event, and midyear change support consistent with DCS procedures and applicable law.
- Provide benefit communications, enrollment materials, benefit guides/booklets, forms, employee-facing web resources, and other educational materials.
- Provide a designated account team and escalation process for DCS administration and employees.
- Assist with annual review and renewal of voluntary benefit offerings, including market analysis, carrier negotiations, and recommendations when requested by DCS.
- Coordinate enrollment and eligibility data with DCS payroll/HR systems, including electronic file exchange and reconciliation support.
- Provide consolidated billing and/or billing reconciliation services when proposed and approved by DCS.
- Provide regular reports to DCS on enrollment, deductions, FSA activity, service performance, and issues requiring action.
- Provide implementation, conversion, and termination support designed to preserve continuity of coverage and administration.

5.1 Optional / Additional Services

DCS may elect to include one or more of the following in the final award. Vendors should identify capability and pricing separately so DCS can evaluate these services without committing to purchase them:

- Third-party administration for the DCS self-funded dental plan, if still applicable.
- COBRA administration or coordination.
- ACA eligibility monitoring/reporting support.
- Bill reconciliation to payroll deductions.
- Benefits administration platform and year-round employee self-service.
- Other related benefit consulting or administrative services proposed by the vendor.

6.0 Benefit and Plan Administration Requirements

6.1 Voluntary Benefit Lines

DCS intends to evaluate a consolidated approach to voluntary benefits. Vendors should indicate whether they can market, place, administer, and service each line below. DCS reserves the right to add, remove, or retain individual products or carriers.

Benefit / Service	Available?	Carrier(s) Proposed
Vision	Yes / No	
Group Term Life	Yes / No	
Voluntary Group Term Life	Yes / No	

Benefit / Service	Available?	Carrier(s) Proposed
Whole Life / Universal Life	Yes / No	
Cancer	Yes / No	
Critical Illness	Yes / No	
Accident	Yes / No	
Short-Term Disability	Yes / No	
Long-Term Disability	Yes / No	
Hospital Indemnity / Medical Bridge	Yes / No	
Legal Services / Legal Insurance	Yes / No	
TPA Service for Self-Funded Dental Plan	Yes / No	
Pet Insurance	Yes / No	
Elder Care Insurance	Yes / No	
EAP – Employee Assistant Program	Yes / No	
Flexible Spending Accounts (Medical Reimbursement & Dependent Care Reimbursement)	Yes / No	
Other employee-pay-all coverage proposed by vendor	Yes / No	

6.2 Flexible Spending Account Administration

- Identify the proposed TPA and whether the TPA is owned by, affiliated with, or independent of the proposing firm.
- Describe FSA enrollment, substantiation, claims submission, claim review, reimbursement, appeals, and participant support processes.
- State reimbursement frequency and standard turnaround time for approved claims.
- Describe Flex/debit card procedures, substantiation requirements, card replacement procedures, and all participant or employer fees.
- Describe funding requirements, banking arrangements, remittance schedules, forfeiture handling, runout processes, and year-end reporting.
- Describe how DCS will receive account-level and aggregate reporting and how discrepancies will be resolved.

6.3 Enrollment and Communication

- Provide a proposed annual enrollment strategy and staffing plan, including the number and status of enrollers (employees or subcontractors) and their NC public-school experience.
- Describe on-site, virtual, telephone, and online enrollment options and how employees who are absent, remote, or unavailable during scheduled enrollment will be served.
- Provide sample benefit guides, enrollment materials, election confirmations, educational videos, or similar communication tools.

- Describe year-round access for employees to review elections, obtain forms, submit claims, and request service.
- Describe how the vendor will support new hires and life-event changes outside annual enrollment.
- Identify languages and accessibility supports available for employee communications.

7.0 Technology, Data, and Service Requirements

7.1 Data Integration and Reconciliation

- Describe experience exchanging enrollment and deduction files with school-district payroll/HR systems, including LINQ or comparable systems.
- Identify supported file formats, transfer methods, frequency, testing procedures, error reporting, and correction workflows.
- Describe the post-enrollment data return process and the support provided to resolve upload discrepancies.
- Describe billing reconciliation services and whether participant-level deductions and contributions can be provided electronically.
- Provide the standard implementation timeline for eligibility, deduction, carrier, and FSA file interfaces.

7.2 Information Security and Privacy

- Describe administrative, technical, and physical safeguards used to protect DCS and employee information.
- Describe encryption practices for data in transit and at rest, access controls, multifactor authentication where applicable, logging/monitoring, and secure file transfer methods.
- Describe incident response and breach-notification procedures, including the vendor's proposed notification timeline to DCS.
- Identify relevant independent security assessments or certifications maintained by the vendor or TPA (for example, SOC reports), if any.
- Describe data retention, return, and secure destruction practices at contract end.
- Identify all subcontractors or hosted platforms that will store or process DCS or employee data.

7.3 Customer Service and Performance

- Provide a named primary account manager and backup contact.
- Provide employee customer-service hours, phone numbers, email/web support options, and escalation procedures.
- State normal response targets for employee inquiries, DCS administrative inquiries, claim issues, and urgent escalations.
- Describe service-level reporting and how recurring issues will be tracked, reported, and corrected.
- State the vendor's business continuity and disaster recovery approach for enrollment, claim, and participant-service functions.

8.0 Vendor Qualifications and References

- Provide the firm's legal name, ownership structure, headquarters, years in business, and office responsible for the DCS account.
- Provide the number of North Carolina public-sector clients and North Carolina public-school clients currently served.

- Provide the number of North Carolina school systems for which the firm administers the full flexible benefits package, including FSA administration.
- Identify the proposed DCS account team, each person's role, years of experience, relevant credentials/licenses, and anticipated time commitment.
- Disclose material litigation, regulatory actions, sanctions, or administrative proceedings involving Section 125, FSA, benefits administration, insurance placement, or handling of client funds during the past five years, and explain status/outcome.
- Provide at least four references from comparable North Carolina public-school or public-sector clients, preferably with 1,000 or more employees.

9.0 Proposal Response Format

To facilitate consistent evaluation, vendors should organize proposals in the following order:

1. Cover Letter and Executive Summary
2. Signed Certification and Execution Form (Attachment D)
3. Vendor Profile and Qualifications
4. Proposed Account Team
5. Scope of Services Response
6. Section 125 / FSA Administration Response
7. Enrollment and Communication Plan
8. Technology, Data Integration, Security, and Service Response
9. Voluntary Benefit Product and Carrier Response
10. Implementation and Transition Plan
11. Pricing and Compensation Schedule (Attachment B)
12. References (Attachment C)
13. Exceptions / Assumptions
14. Sample Materials and Supporting Exhibits

Generic marketing materials should be limited to items that directly support a requested response. DCS may request clarification, interviews, demonstrations, best-and-final offers, or additional documentation at its discretion.

10.0 Evaluation and Award

DCS intends to evaluate responsive proposals using the criteria below. DCS may adjust final weighting before issuance; the bracketed points should be confirmed by the procurement team.

Evaluation Criterion	Points
Qualifications and comparable NC public-school experience	20
Section 125 / FSA administration and compliance	20
Enrollment, communication, and employee service	20
Technology, data integration, and security	15
Voluntary benefit strategy and product quality	10
Cost, fees, and compensation transparency	15

DCS reserves the right to reject any or all proposals, waive minor informalities, request clarification, negotiate with one or more vendors, conduct reference checks, invite finalists to presentations or demonstrations, and make an award determined to be in the best interests of DCS, subject to applicable law and Board approval requirements.

Attachment A - Vendor Questionnaire

- 1.** Describe your company organization, ownership, history, and the office that would serve DCS.
- 2.** How many North Carolina public-sector clients do you currently serve? How many are North Carolina public-school systems?
- 3.** How many NC public-school systems do you currently administer the full flexible benefits package, including flexible spending accounts, for?
- 4.** Identify the proposed account team, their roles, licenses/credentials, NC public-school experience, and whether each is an employee or subcontractor.
- 5.** Have the firm, its principals, or the proposed TPA been involved in litigation or regulatory proceedings related to Section 125/FSA administration or benefit services during the past five years? If yes, explain.
- 6.** How will you keep DCS informed of federal and state legal/regulatory changes affecting Section 125 plans and voluntary benefits?
- 7.** Identify the proposed FSA TPA. Describe claim submission, adjudication, reimbursement frequency, standard turnaround time, appeals, participant support, and account reporting.
- 8.** Describe your Flex/debit card program, including substantiation requirements, replacement procedures, years of experience, and all fees.
- 9.** Describe in detail your annual open enrollment process, including on-site/virtual approach, number of enrollers, training, employee counseling, and NC public-school experience.
- 10.** Describe online/web enrollment and year-round eligibility capabilities. Can employees access benefit information and confirmations 24/7?
- 11.** Provide samples of benefit guides, enrollment communications, election/confirmation forms, and other materials you propose to use.
- 12.** Describe your post-enrollment data return process to DCS and how you correct discrepancies after file uploads.
- 13.** Describe your experience integrating enrollment information with LINQ or similar school payroll/HR systems. Include file formats, transfer method, testing, and support.
- 14.** Describe consolidated billing and bill-to-payroll reconciliation services. Identify any additional charges.
- 15.** Describe the reports provided to DCS and to employees, including frequency and sample reports.
- 16.** Describe your customer-service model for DCS administrators and employees, including hours, toll-free service, web support, escalation, and expected response times.
- 17.** Describe how existing employee policies will be handled during transition, including portability/conversion options and service after termination of the master contract.
- 18.** Identify all proposed insurance carriers by line of coverage and describe your process for evaluating carrier quality, rates, underwriting, contract provisions, and service.
- 19.** Explain how your firm, enrollment staff, TPAs, and other parties will be compensated. Disclose commissions, fees, overrides, bonuses, contingent compensation, platform fees, enrollment fees, and any other direct or indirect compensation related to DCS.

- 20.** Describe plan-document services, nondiscrimination testing, tax filings/reporting, and other compliance services included in your proposal. Identify any excluded items or added fees.
- 21.** Describe your information-security program, secure file transfer, access controls, incident response, breach notification, third-party hosting, and available independent security reports/certifications.
- 22.** Describe your implementation plan from notice of award through go-live, including milestones, staffing, testing, employee communications, enrollment, and contingency planning.
- 23.** Describe your business continuity/disaster recovery approach for benefit administration, enrollment, and claims services.
- 24.** List professional organizations, certifications, or continuing education programs that support your team's ability to serve DCS.
- 25.** Provide any additional value-added services relevant to DCS, clearly identifying whether each is included or carries an additional cost.

Attachment B - Pricing and Compensation Schedule

Vendors must disclose all costs to DCS and employees and all forms of compensation. If a fee does not apply, enter \$0 or N/A. Attach explanatory detail as needed.

Fee / Compensation Item	Paid by DCS	Paid by Employee	Amount / Basis
Section 125 plan administration			
FSA administration - per participant or annual			
FSA debit/Flex card			
Enrollment services			
Benefits administration platform			
Benefit communications / guide production			
Plan document / amendment services			
Nondiscrimination testing			
COBRA administration, if proposed			
ACA monitoring/reporting, if proposed			
Dental TPA, if proposed			
Billing reconciliation			
Implementation / conversion			
Termination / data transfer			
Other employer-paid fees			
Other employee-paid fees			

Commission / Compensation Disclosure: Provide a separate schedule by product/carrier showing base commission, enrollment compensation, overrides, bonuses, contingent compensation, administrative allowances, technology subsidies, marketing allowances, or any other direct or indirect compensation connected to DCS business.

Attachment C - Reference Form

Provide at least four comparable references, preferably North Carolina public-school systems with 1,000 or more full-time employees.

Reference Information	Vendor Response
Reference 1	
Organization	
Contact Name / Title	
Phone	
Email	
Approximate Employee Count	
Services Provided	
Years Served	
Reference 2	
Organization	
Contact Name / Title	
Phone	
Email	
Approximate Employee Count	
Services Provided	
Years Served	
Reference 3	
Organization	
Contact Name / Title	
Phone	
Email	
Approximate Employee Count	
Services Provided	

Years Served	
Reference 4	
Organization	
Contact Name / Title	
Phone	
Email	
Approximate Employee Count	
Services Provided	
Years Served	

Attachment D - Certification and Execution

By signing below, the vendor certifies that it has reviewed the RFP and any addenda; the information in its proposal is accurate to the best of its knowledge; it will honor commitments made in its proposal if incorporated into a final contract; and it and its representatives will maintain all licenses required to provide the proposed services in North Carolina.

The vendor further certifies that it has not engaged in collusion or prohibited communications in connection with this procurement and will comply with applicable federal, state, and local laws and DCS contractual requirements.

Legal Name of Firm	
Address	
Authorized Representative	
Title	
Signature	
Date	
Email / Phone	

End of RFP