

## **Notice of Proposed New Rule for the City's Purchasing Code Relating to Employee Benefits Consultants**

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### **Description:**

Under the City of Scottsdale's Procurement Code (the Code), the Procurement Director is authorized to establish rules and procedures relating to the purchase of materials, services, and construction for the city in accordance with the Code (see Scottsdale Revised Code Sec. 2-180(b)(1) and Sec. 2-211).

In accordance with Sec. 2-211(b), public notice is hereby given that the Purchasing Director intends to establish Rule R2-180.1 Employee Benefit Consultant Delegation.

### **R2-180.1 Employee Benefit Consultant Delegation**

- A. Designation and Selection
  - (a) The City may engage a benefits consultant through a formal request for proposal process conducted in accordance with this code.
  - (b) The engagement shall be documented by a written agreement specifying the scope of services and compliance requirements.
- B. Scope of Authority
  - (a) Upon selection, the benefits consultant is authorized to:
    - (1) Develop, issue, and manage requests for proposals for services related to employee benefits programs on behalf of the City.
    - (2) Conduct vendor outreach, facilitate pre-proposal conferences, and manage communications with prospective vendors.
    - (3) Evaluate proposals, perform cost and benefit analyses, and provide written recommendations to City staff.
  - (b) The consultant shall not make final award decisions. All recommendations shall be submitted to the Human Resources Director, which shall then be submitted to the Purchasing Director and, where applicable, the City Attorney and the Risk Management Director, to assure that all applicable contract clauses advantageous to the City are included in the contract before signing by the Contractor.
  - (c) All solicitations conducted by the consultant must comply with this code and all applicable city, state, and federal laws and regulations.
  - (d) The consultant shall maintain complete records of all procurement activities and provide copies to the City immediately after the consultant provides its recommendations to the City.

- (e) Any conflicts of interest must be disclosed in writing prior to initiating any request for proposal process.
- (f) Delegation may be revoked at any time for non-compliance, conflict of interest, failure to meet performance standards, or if it is in the best interest of the city, as determined by the City in its sole discretion.

**Background:**

The Scottsdale City Council approved a delegation of authority for employee benefits consultants on February, 24, 2026, by passing Ordinance 4702, which establishes a new Sec. 2-180(d) to the Code. Sec. 2-180(d) allows the Purchasing Director to delegate their authority for procurement to outside consultants that specialize in the following types of employee benefits: health, medical, dental, pharmacy, behavioral health, life insurance, disability insurance, and retirement programs.

This proposed rule R2-180.1 clarifies the delegation and selection process, as well as the scope of authority, for employee benefits consultants.

**Next Steps:**

The Purchasing Director hereby solicits written comments concerning this proposed rule R2-180.1 from any interested persons. The Purchasing Director shall review and consider any comments. After 30 days, the rule may be filed with the city clerk and shall become effective upon such filing.

Submit comments via email to Jenn Myers, City of Scottsdale Purchasing Director at [JMyers@Scottsdaleaz.gov](mailto:JMyers@Scottsdaleaz.gov)