

Financial Affairs
Richard H. Hinds, Chief Financial Officer

**SUBJECT: REQUEST FOR AUTHORIZATION TO ISSUE REQUEST FOR
PROPOSAL (RFP) #082-CC10, 403(b)/401(a) TERMINAL LEAVE
RETIREMENT PLAN**

COMMITTEE: FINANCIAL AFFAIRS

Various school districts within the State of Florida have implemented a terminal leave retirement plan consisting of an IRS qualified 401(a) program that permits government employers to pay special forms of compensation, such as employee sick pay and annual leave, in a tax-advantaged manner in lieu of cash. Authorization is now sought to issue RFP# 082-CC10, 403(b)/401(a) Terminal Leave Retirement Plan to seek proposals from qualified vendors to administer and provide investment vehicles in the form of a 401(a) and 403(b) plan which will support the transfer of unused sick leave as opposed to the Board making such payments to employees in cash. The Board would be in a position to save money by not having to pay FICA taxes on the contributions.

Proposals were received in June 2000 in response to RFP #125-ZZ10 for a similar program but was not implemented. This contract will be for an initial three year term, effective June 1, 2003, with the ability to extend the contract for an additional two year period, not to exceed five years.

Funding for this contract is included in the General Fund of the 2002-2003 Adopted Budget.

Copies of the RFP are being sent to the Board Members under separate cover and are available at Citizens Information.

Pursuant to School Board Rule 6GX13- 3F-1.022, Professional Service Contracts for Insurance or Risk Management Programs - Policy, an Ad-Hoc Insurance Committee will review received proposals, and make recommendations which will be taken to the Board at a future Board meeting. The Ad-Hoc Insurance Committee will consist of the following:

**REPLACEMENT
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School Board Member
Chief Financial Officer
Chief Financial Officer - Designate
Chief Personnel Officer
Chief of Staff
Chief Business Officer
Risk and Benefits Officer
Director, Business Development and Assistance

Additionally, a representative from the Board Attorney's Office, the Office of Procurement Management, and the Board's Employee Benefits Consulting Firm will serve as non-voting resource persons to the Ad-Hoc Committee.

- RECOMMENDED: That The School Board of Miami-Dade County, Florida:
1. authorize the Superintendent to issue Request For Proposal (RFP)# 082-CC10, 403(b)/401(a) Terminal Leave Retirement Plan;
 2. approve the Ad-Hoc Committee; and
 3. appoint a School Board Member to serve on the Ad-Hoc Committee.

RHH:sc