

Financial Affairs
Edward Marquez, Chief Financial Officer

**SUBJECT: PROPOSED AMENDMENT OF SCHOOL BOARD RULE: INITIAL
READING 6Gx13- 3F-1.022, PROFESSIONAL SERVICES
CONTRACTS FOR INSURANCE OR RISK MANAGEMENT
PROGRAMS – POLICY**

**COMMITTEE: LEGISLATIVE RELATIONS, PUBLIC RELATIONS AND
PERSONNEL SERVICES**

At the May 14, 2003 Board meeting, the Board voted to receive the initial status report to be submitted to the Office of Program Policy and Government Accountability (OPPAGA). Among the recommendations submitted by OPPAGA was Action Plan 14-7 which recommended that a "no conflict of interest" policy be established for all participants in the review of the proposers to provide group insurance services. Therefore, as recommended by OPPAGA and directed by the Board, this item is presented for the Board's consideration to amend School Board Rule 6GX13- 3F-1.022, Professional Services Contracts for Insurance or Risk Management Programs – Policy.

Attached are the Notice of Intended Action and the proposed amended rule. Changes to current rule are indicated by underscoring words to be added and ~~striking through~~ words to be deleted.

Authorization of the Board is requested for the Superintendent to initiate rulemaking proceedings in accordance with the Administrative Procedure Act for the amendment of School Board Rule 6GX13- 3F-1.022, Professional Services Contracts for Insurance or Risk Management Programs – Policy.

RECOMMENDED: That the School Board of Miami-Dade County, Florida authorize the Superintendent to initiate rulemaking proceedings in accordance with the Administrative Procedure Act to amend School Board Rule 6Gx13- 3F-1.022, Professional Services Contracts for Insurance or Risk Management Programs – Policy.

EM:sc

NOTICE OF INTENDED ACTION

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, announced on March 17, 2004, its intention to amend Board Rule 6GX13- 3F-1.022, Professional Service Contracts for Insurance or Risk Management Programs – Policy, at its meeting of May 19, 2004.

PURPOSE AND EFFECT: The revision to the Board rule establishes a No Conflict Of Interest Policy for participants in the review of the proposers to provide group insurance services.

SUMMARY: To establish that the participants who perform the review of proposals received for group insurance products declare if they believe they may have a conflict of interest in reviewing and making recommendations for award of such services.

SPECIFIC LEGAL AUTHORITY UNDER WHICH RULEMAKING IS AUTHORIZED:
1001.41(1)(2); 1001.42(22); 1001.43(10) F.S.

LAW IMPLEMENTED, INTERPRETED, OR MADE SPECIFIC: 1001.42(9)(d); 1001.42(10)(k); 1001.51(11)(k) F.S.; 6A-1.012 FAC

IF REQUESTED, A HEARING WILL BE HELD DURING THE SCHOOL BOARD MEETING OF MAY 19, 2004, which begins at 1:00 p.m. in the School Board Auditorium, 1450 N.E. Second Avenue, Miami, Florida 33132. Persons requesting such a hearing or who wish to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative as provided by Section 120.541(1), F.S., must do so in writing by April 12, 2004, to the Superintendent of Schools, Room 912, at the same address.

ANY PERSON WHO DECIDES TO APPEAL THE DECISION made by The School Board of Miami-Dade County, Florida, with respect to this action will need to ensure the preparation of a verbatim record of the proceedings, including the testimony and evidence upon which the appeal is to be based (Section 286.0105, Florida Statutes)

A COPY OF THE PROPOSED AMENDED RULE is available for inspection and copying at cost by the public in the Citizen Information Center, Room 158, 1450 N.E. Second Avenue, Miami, Florida 33132

Originator: Mr. Scott B. Clark
Supervisor: Mr. Edward Marquez
Date: March 3, 2004

Contracts and Documents**PROFESSIONAL SERVICES CONTRACTS FOR INSURANCE OR RISK MANAGEMENT PROGRAMS -- POLICY**

REQUEST FOR PROPOSALS

Request for proposals shall be used when seeking to contract for insurance or risk management professional services because they are of an unusual nature, because the services may vary depending on the provider, and because the quality of services as well as the price are important. Services requiring a request for proposal are generally subjective in nature.

- A. If the cost of the contract is estimated to cost more than \$6,000 (annually), the following process shall be followed:
1. The Superintendent shall appoint an ad hoc insurance committee which will include broad based representation of various administrative offices of the Board, and, to the extent possible, some external risk managers, to review property and casualty requests for proposals. The Fringe Benefits Council will serve in this capacity for items involving collective bargaining. This review will include detailed criteria for business development and assistance.
 2. If the contract is estimated to exceed \$50,000 annually, the Board will then be presented with the final draft specifications, and Board approval shall be sought prior to the issuance of the request for proposal. The agenda item shall specify the services required and major points in the selection process.
 3. The Board's Bureau of Procurement and Materials Management will release the specifications and receive proposals, which will be opened at scheduled bid-opening dates.
 4. The request for proposals shall be advertised to solicit a wide variety of vendor participation. To enhance Minority/Women Business Enterprise (M/WBE) participation, it is recommended that all advertisements be published and announced in major ethnic publications (and risk management trade journals as the need arises).

5. The ad hoc insurance committee or the Fringe Benefits Council will review proposals received, when necessary interview proposers, and make consensus recommendations to the Superintendent, prior to Board action on the award.
- B. If the contract is estimated to cost between \$3,000 and \$6,000 (annually) then the following process shall be followed:
1. The ad hoc insurance committee or the Fringe Benefits Council will review draft specifications relating to insurance or risk management programs, such review will include detailed criteria for small and minority business development.
 2. The Board's Bureau of Procurement and Materials Management will release the specifications and receive proposals, which will be opened at scheduled bid-opening dates.
 3. The request for proposals shall be advertised to solicit greater vendor participation. To enhance Minority/ Women Business Enterprise (M/WBE) participation, it is recommended that all advertisements be published and announced in major ethnic publications (and risk management trade journals as the need arises).

C. Implementation Schedule

Each request for proposal shall include a list of specific evaluation criteria which shall serve as the basis for the insurance committee or Fringe Benefits Council to select the vendor. Although the criteria will vary depending upon the nature of the proposal, the proposal should include the following:

1. General information
2. Experience of firm
3. Personnel
4. Price
5. Affirmative Action requirements
6. Small business development requirements
7. Administrative specifications
8. References
9. Instructions

D. No Conflict of Interest

I. Each of the participants of the ad hoc insurance committee or the fringe benefits council must adhere to a no conflict of interest policy whereby participants must recuse themselves from the selection process if any of the following circumstances apply:

1. Participant, or the company or business they represent has any specific interest or ownership in the vendor.
2. Participant, or the company or business they represent receives commission, fees, remuneration from, or derives some benefit from vendor in any way.
3. Participant, or the company or business they represent is otherwise not able to exercise impartiality in selecting or not selecting a specific vendor.
4. School Board employees who are participants of the ad hoc insurance committee, or the fringe benefits council must adhere to the provision of School Board Rule 6Gx13- 4A-1.212, Conflict of Interest.

II. Self Reporting

All participants of the ad hoc committee, or fringe benefits council upon meeting to review a specific proposal or proposals, shall certify in writing that they will abide by the requirements of this Board rule and that they will self-report any relationship that may implicate a potential conflict of interest or other violations of this rule, or other applicable School Board Rules. In the event that a participant cannot determine whether a conflict rises to the level of recusal from participation, final determination will be made by the Superintendent of Schools or designee.

Specific Authority: 230.22(2) 1001.41(1)(2); 1001.42(22); 1001.43(10) F.S.

Law Implemented, Interpreted, or Made Specific: 230.23(10)(i); 230.33(12)(i) 1001.42(9)(d); 1001.42(10)(k); 1001.51(11)(k) F.S.; 6A-1.012 FAC

History

New: 12-19-91

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA