

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: REQUEST FOR AUTHORIZATION TO AWARD REQUEST
FOR PROPOSALS (RFP) #003-LL10, CONSULTING
SERVICES, EMPLOYEE BENEFIT PROGRAMS**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL
RELATIONS**

**LINK TO STRATEGIC
FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

At the Board meeting of October 13, 2010, the Board authorized the Superintendent to issue Request For Proposals (RFP) #003-LL10, Consulting Services, Employee Benefit Programs. The existing contract with Deloitte Consulting, LLP was awarded as a result of RFP # 018-FF10 which was for an initial three-year term effective February 1, 2006-2009, with the ability to extend the contract for two additional one-year terms. The Board authorized an extension of the existing contract at the Board meeting of January 14, 2009 effective February 1, 2009-2011.

Two proposals were received in response to RFP #003-LL10 at the bid opening of November 11, 2010. Proposals were received from:

Aon Hewitt Health & Welfare Consulting
Deloitte Consulting, LLP

Pursuant to School Board Rule 6Gx13- 3F-1.0122, Professional Service Contracts for Insurance or Risk Management Programs—Policy, the Superintendent’s Ad-Hoc Committee met to review received proposals on January 4, 2011. Following a thorough review of the received proposals, the committee decided to conduct oral interviews. Representatives for both proposers were made aware in advance of the meeting to have representatives at the meeting who could negotiate on behalf of their firm.

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The committee felt that both Aon/Hewitt and Deloitte Consulting were firms which possessed the ability to provide valuable employee benefit consulting advice. Both firms provided hourly rates on a fee basis, pursuant to the provisions of RFP# 003-LL10 as follows:

	<u>Aon/Hewitt</u>	<u>Deloitte Consulting</u>
Lead Consultant	\$350/hour	\$335/hour
Senior Consultant	\$350/hour	\$295/hour
Consultant	\$273/hour	\$195/hour
Fellow Actuary	\$430/hour	\$335/hour
Associate Actuary	\$280/hour	\$177/hour

Deloitte's proposal included a three-year guarantee of all proposed fees, including legal consultant fees. This represents approximately an 8% increase over current fees which have been in place for four years.

Legal consulting was proposed by Aon/Hewitt at \$315/hour for in-house legal consulting services with the ability to contract with outside legal firms for formal legal opinions at fees to be determined. Deloitte proposed access to Greenberg Traurig, the firm which has provided legal services to the District in the past for Employee Benefit legal opinions/IRS opinions, etc. at fees of \$450/hour for Shareholders, \$300/hour for Associates and \$150/hour for paralegals.

Following a lengthy discussion, the committee voted unanimously to recommend a contract be negotiated with Deloitte Consulting, LLP, effective February 1, 2011 for a three-year period with the ability to renew for two additional one-year periods pursuant to the provisions of RFP #003-LL10.

RECOMMENDED: That The School Board of Miami-Dade County, Florida award RFP #003-LL10, Consulting Services, Employee Benefit Programs, to Deloitte Consulting LLP and execute an agreement effective February 1, 2011, for a three-year period at the below hourly fees, with the ability to renew for two additional one-year periods.

Lead Consultant	\$335
Senior Consultant	\$295
Consultant	\$195
Fellow Actuary	\$335
Associate Actuary	\$177
Legal Consultant Services:	
Shareholders	\$450
Associates	\$300
Paralegals	\$150

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