

Financial Services  
Richard H. Hinds, Chief Financial Officer

**SUBJECT:                   REQUEST FOR AUTHORIZATION TO ISSUE REQUEST  
FOR PROPOSAL (RFP) # 077-NN10, FLEXIBLE  
SPENDING ACCOUNT (FSA) ADMINISTRATION  
SERVICES**

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

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

The Board's current contract with FBMC Benefits Management, Inc., formerly Fringe Benefits Management Company (FBMC), provides third party administration of Employee Benefits including:

- On-Site Employee and Retiree Benefit Administration Services
- On-Site SAP System Data Input and Administration Services
- Off-Site Benefits Customer Service
- Off-Site Flexible Spending Account (FSA) Plan Administration Services
- Off-Site Employee and Retiree Benefit Plan Communication Materials Development and Production
- Off-Site Retiree Benefit Administration
- Insurance Brokerage Services for Certain Voluntary Employee Benefit Coverages

This contract was last awarded at the Board Meeting of December 5, 2012, following issuance of Request for Proposals (RFP) # 051-MM10 for a one-year period, with subsequent one-year renewals for calendar years 2014 and 2015 to be approved by the Board. Two proposals were received in response to this RFP; however, one proposal was determined to be non-responsive as the vendor did not have a Florida license.

In order to create competition in this market, staff believes that unbundling and marketing the Flexible Spending Account (FSA) component of the overall third party administration is in the District's best interest at this time. Therefore, authorization is now being sought to issue RFP # 077-NN10, Flexible Spending Account Administrative Services for an initial three-year term, effective January 1, 2014, with the ability to extend the contract for an additional two-year period.

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Current FSA administrative services include the following:

- Providing information to employees for both open enrollment and ongoing enrollment
- Updating of claim payments and denial data on a daily basis
- Maintaining proper accounting of employee contributions
- Providing direct access to funds (employee contributions) via a Debit Card
- Sending quarterly FSA statements to participants
- Reconciliation of claims

Pursuant to School Board Policy 6332 - Professional Service Contracts for Insurance or Risk Management Programs, a Superintendent's Ad-Hoc Insurance Committee will review received proposals and make recommendations to be taken to the Board at a future Board meeting. The Superintendent's Ad-Hoc Insurance Committee will consist of the following:

- Chief Operating Officer, School Operations
- Associate Superintendent and Chief Financial Officer, Financial Services
- Risk and Benefits Officer, Office of Risk and Benefits Management
- Treasurer, Office of Treasury Management
- Chief Information Officer, Information Technology Services
- ERP Director, Office of Risk and Benefits Management
- Employee Benefits Director, Office of Risk and Benefits Management

Additionally, a representative from the Board Attorney's Office and Business Development and Assistance will serve as non-voting resource persons to the Superintendent's Ad-Hoc Insurance Committee.

Copies of the RFP will be sent to the Board Members under separate cover and are available at Citizen's Information.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida:

1. authorize the Superintendent to issue Request For Proposal (RFP) # 077-NN10, Flexible Spending Account (FSA) Administration Services
2. approve the Ad-Hoc Committee.

RHH:sbc