

Compensation and Related Benefits

SUPPLEMENTAL RETIREMENT INVESTMENT PROGRAMS

I. Goals

The goals of this rule are as follows:

- a. Assure compliance of the District's Internal Revenue Code (IRC) § 403(b) Tax Sheltered Annuity Investment Program with Federal Regulations
- b. Adopt an official plan document for The School Board of Miami-Dade County, Florida as the plan sponsor of the District's IRC § 403(b) Tax Sheltered Annuity Investment Program, hereafter referred to as "TSA Investment Program" which can be amended, from time to time to assure adherence with all IRC regulations including approval of investment options and plan administration guidelines.
- c. Adopt the Independent Benefits Council's (IBC) statewide "Model Plan" as the accepted platform for companies offering investments to District employees as part of the TSA Investment Program, including any newly added providers to be offered to District employees. Providers will be classified into one of three categories, as follows:

"Run Off Provider" – This category includes any Plan investment provider that is restricted to receiving and/or changing contribution amounts from employees with current contributions as of November 18, 2008. Those employees may continue to direct contributions to the Run Off Provider, and may change contribution amounts and investment allocations. However, a Run Off Provider may not accept contributions or rollovers from any Plan Participant that does not have a Plan account with the Run Off Provider as of November 18, 2008.

"IBC Approved Provider" – This category includes those investment providers listed in the Model Plan as recommended by the IBC.

"Grandfathered Provider" – This category includes any investment provider receiving employee contributions as of November 18, 2008, that is not classified as either a Run Off Provider or as an IBC Approved Provider.

Both IBC Approved Providers and Grandfathered Providers will continue their current eligibility to add new participants, as well as make any and all necessary changes including, but not limited to starts, stops, changes, distributions, etc.

Run Off Providers, IBC Approved Providers and Grandfathered Providers shall be responsible to complete all necessary due diligence with the School Board to be in complete compliance with all Internal Revenue Code (IRC) § 403(b) requirements which become effective January 1, 2009 and beyond. In particular, each of the above providers will be required to complete an Information Sharing Agreement (ISA). In the event an ISA is not in place for a particular Provider, restrictions will be imposed on that Provider in accordance with the IRC and the regulations thereunder.

- d. Create choice, compliance, and a source of revenue for the District in determining the number of providers offering investments to district employees, in conjunction with a per participant fee structure to be collected by the District from providers to offset administrative expenses, including the possibility in the future of seeking the services of a third party administrator to assist in the plan's administration with funds to pay the administrator to come from the revenue from participating companies
 - e. Document in Board Rule the existence of the District's IRC §457 and §401(k) plans
- II. The School Board of Miami-Dade County, Florida as the plan sponsor of the TSA Investment Program, sets forth the following requirements:
- a. All employees of the district are eligible to participate.
 - b. Employees' investments will be limited to maximums as determined by IRC §415(c) (1)(A) and §402(g)(1) limitations, or as to be determined in the future under the Internal Revenue Code.
 - c. Employees will have the opportunity to select from providers incorporated as part of the State of Florida Model Plan, as recommended by the Independent Benefits Council (IBC), and adopted by the District, which may change from time to time. All terms and conditions of such participation in the

Model Plan are comprised of the Letters of Agreement between the IBC and selected companies agreeing to provide competitive rate structures to maximize potential returns on investments for employees and also agree to the fee structure as agreed upon by the IBC to offset district administrative expenses. Any newly added providers to the TSA Investment Program must be part of the Model Plan.

- d. Employees will also have the opportunity select from providers which are receiving contributions as of November 18, 2008. Providers will be classified into one of three categories, as follows:

“Run Off Provider” – This category includes any Plan investment provider that is restricted to receiving and/or changing contribution amounts from employees with current contributions as of November 18, 2008. Those employees may continue to direct contributions to the Run Off Provider, and may change contribution amounts and investment allocations. However, a Run Off Provider may not accept contributions or rollovers from any Plan Participant that does not have a Plan account with the Run Off Provider as of November 18, 2008.

“IBC Approved Provider” – This category includes those investment providers listed in the Model Plan as recommended by the IBC.

“Grandfathered Provider” – This category includes any investment provider receiving employee contributions as of November 18, 2008, that is not classified as either a Run Off Provider or as an IBC Approved Provider.

Both IBC Approved Providers and Grandfathered Providers will continue their current eligibility to add new participants, as well as make any and all necessary changes including, but not limited to starts, stops, changes, distributions, etc.

- e. All such companies shall be responsible to complete all necessary due diligence with the School Board to be in complete compliance with all Internal Revenue Code (IRC) § 403(b) requirements which become effective January 1, 2009 and beyond. In particular, each of the above providers will be required to complete an Information Sharing Agreement (ISA). In the event an ISA is not in place for a particular Provider, restrictions will be imposed on that

Provider in accordance with the IRC and the regulations thereunder.

- f. The District adopts the 403(b) Plan Document for Public Educational Organizations (“Plan Document”) as modified by an Adoption Agreement which is incorporated herein by reference.
- III. The District will collect fees in amounts determined by the Model Plan (currently \$12/participant/year) in addition to the existing \$5/participant/year to be paid by all investment providers other than Run Off Providers to offset administrative expenses for the Office of Risk and Benefits Management to manage the plan. These funds will continue to be used to offset administrative expenses within the Office of Risk and Benefits Management to administer the TSA Investment Program, including the possibility of using such funds to pay for a third party administrator, including using such administrator as a common remitter for all employee-funds.
 - IV. The School Board of Miami-Dade County, Florida as the plan sponsor of the District’s IRC §457 Plan which has been in place since 2001, sets forth the following requirements:
 - a. All employees are eligible to participate.
 - b. Employees’ investments will be limited to maximums as determined by IRC §415(c) (1)(A) and §402(g)(1) limitations, or as to be determined by the Internal Revenue Code in the future.
 - c. Employees will have the opportunity to select from investment options which are offered by the plan administrator which may change from time to time.
 - d. The Plan Document is incorporated by reference to assure adherence with the Internal Revenue Code and its regulations, including approval of investment options and plan administration guidelines.
 - V. The School Board of Miami-Dade County, Florida as the plan sponsor of the District’s IRC § 401(k) Plan which has been in place since 1985 sets forth the following requirements:
 - a. All full time employees are eligible to participate.

- b. Employees' investments will be limited to maximums as determined by IRC §415(c) (1)(A) and §402(g)(1) limitations, or as to be determined by the Internal Revenue Code in the future.
- c. Employees will have the opportunity to select from investment choices which are offered by the plan administrator which may change from time to time.
- d. The Plan Document is incorporated by reference to assure adherence with the Internal Revenue Code and its regulations, including approval of investment options and plan administration guidelines.

Specific administrative criteria for all Supplemental Retirement Investment Programs regarding the processing of contribution changes including, but not limited to starts, stops, dollar contribution level changes, loans, and distributions will be made in accordance with applicable IRC regulations and will be recorded by the Office of Risk and Benefits Management in a handbook entitled "Procedures Manual for Supplemental Retirement Investment Programs."

Specific Authority: 1001.41(1), (2); 1001.42(23); 1001.43(10), F.S.
Law Implemented, Interpreted, or Made Specific: 1001.42(5); 1001.43(6), (11);
1012.23, F.S.

History: THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
New: 11-18-08