

Executive Summary

Prepared for Board of Trustees Meeting

February 9, 2021

403(b), IRS 457 and Property Insurance

Purpose of Report

This report will update the Board on changes within the employee benefits offerings that have occurred. The report will also introduce a potential change from National Plan Administrator (NPA) to National Benefit Services (NBS) as third-party administration of 403(b) accounts and the additional offering of IRS 457 accounts. Finally, the report will also outline the spring calendar events for Property Insurance Request for Proposal.

Objectives

- Update the Board on progress made with employee benefits over the past year in pursuit of the goal to promote mental health, physical wellness and social-emotional well-being for all employees.
- Acknowledge the need to offer a digital platform for employees to manage their financial savings account 403(b) and the additional offering of IRS 457 accounts.
- Understand the need for educational assistance for all employees on long term financial planning, which incorporates partnering with Teachers Pension for training opportunities for new and existing employees.
- Inform the Board on the progress and calendar for the Property Insurance Request for Proposal.

403(b) and IRS 457 Accounts

Operational Impact

The District has contracted with NPA to provide third party administrator services for the 403(b) plans since 1998. We are proposing to offer our employees a digital platform through an existing partner NBS.

NBS, who currently offers Denton ISD employees Medical Flexible Spending and Dependent Care accounts, offers online features and training opportunities that are currently not available. The ease of utilizing the NBS online portal allows employees the opportunity to make changes, take out loans and manage their long-term financial plans with ease. NBS currently offers services to 600+ school districts within Texas and partners with Teacher's Pension for the training of educators without pressure on product selection. Teacher's Pension supports districts in creating an environment that advocates for a dignified retirement for all district employees through the delivery of no-cost "Retirement Education", so each employee can make informed decisions regarding their retirement.

Results

We are proposing a change in third party administrators overseeing the 403(b) plans for district employee, as well as the addition of IRS 457 plan offerings through a partnership with Teacher's Pension for training of our employees. The training will be offered in person and virtually to enhance the overall well-being of our entire employee population.

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Property Insurance

Operational Impact

Denton ISD has partnered with TASB for property insurance since 2001. In 2018 TASB began limiting the coverage available on DISD's locations with single ply roofs. The base rate for property insurance coverage has risen by almost 14% per year for the past two consecutive years. For 17-18, the rate increase was 25%. Those rate increases, along with the additional coverage needed on single ply roofs, necessitated the need to look at the property insurance marketplace for potential cost savings. The table below outlines the timeline of events through May approval of property insurance by the Board.

Action Item	Date
Release of RFP with Market Assignments	January 22, 2021
Primary Layer Proposal Due	March 4, 2021
All markets released to Primary Layer Awarded	March 11, 2021
Completed Property Proposal Due	April 22, 2021
Board Approval for Renewal with TASB or New Property Insurance	May 11, 2021

Results

With the information gathered through the Request for Qualification and 2 subsequent Request for Proposals process, we will determine cost and coverage options for property insurance coverage for 2021-2022.