

**STATE OF FLORIDA
STATE BOARD OF ADMINISTRATION**

LARONDA J. BROWN,)	
)	
Petitioner,)	
)	
vs.)	Case No. 2012-2348
)	
STATE BOARD OF ADMINISTRATION,)	
)	
Respondent.)	
<hr style="width: 45%; margin-left: 0;"/>		

FINAL ORDER

This matter was initiated by a Petition for Hearing submitted by the Petitioner, Laronda J. Brown, to the Respondent (hereafter “SBA”) on April 25, 2013, requesting reimbursement in the amount of the dollar value of the salary payments that would have been made to her had she not been required to terminate employment due to the fact that she had received an invalid distribution from her Florida Retirement System (FRS) Investment Plan account because she was reemployed with an FRS-covered employer within six (6) full calendar months of her retirement date. Petitioner also is alleging that the distributed funds were her funds and that, therefore, she should be entitled to them. Finally, Petitioner is requesting that the statutory provisions concerning the FRS Investment Plan, as well as the applicable rules, be changed to allow distributions even when reemployment occurs within six (6) months of retirement, and, in the alternative, if invalid distributions must be repaid, then the amounts improperly distributed should be able to be repaid on an installment basis and/or over a longer time-frame. *See*, Exhibit 1, attached hereto.

For the reasons explained in detail below, the Petition for Hearing filed in this case is being dismissed, with prejudice, because Petitioner must seek reimbursement in another forum where the jurisdiction to make such a determinations properly lies. Further, any suggested changes to applicable statutes are within the purview of the Florida Legislature, and not the SBA. Finally, Petitioner's argument that she is entitled to the distributed funds is now moot, as the Petitioner elected to comply with the applicable statute by terminating employment and therefore is able to retain all of such funds.

STATEMENT OF THE ISSUE

There are three issues in this matter. The first issue is whether there still is a viable controversy between the parties such that relief can be granted. The second issue is whether Petitioner is entitled to be reimbursed by the SBA for the wages she would have earned during the period of time she was required to terminate employment to meet that requirement that she be "retired" for six (6) full calendar months before being reemployed by her former employer. The third issue is whether the SBA can effectuate changes to the statutory provisions applicable to FRS Investment Plan members who return to FRS-covered employment within six (6) months of withdrawing funds from their Investment Plan accounts.

FINDINGS OF FACT

The Findings of Fact are as follows:

1. Petitioner joined the FRS Investment Plan, effective February 1, 2006.
2. Petitioner's employment with FRS-participating employer, Palm Beach County School Board., was terminated on or about June 5, 2009.

3. On October 12, 2009, Petitioner made a partial withdrawal of funds, totaling [REDACTED] from her FRS Investment Plan account,” and thereby became a “retiree” by law.

4. Petitioner took another partial distribution in the amount of [REDACTED] from her FRS Investment Plan account on November 25, 2009.

5. On January 20, 2010, Petitioner was re-employed by the Palm Beach County School Board, which was two (2) full calendar months after she had “retired.”

6. On January 25, 2012, after an audit of FRS Investment Plan account records was concluded, the Respondent SBA first notified Petitioner that her FRS Investment Plan distribution was invalid because she had returned to FRS-covered employment within six (6) calendar months of October 12, 2009, the date on which she received the first partial distribution from her FRS Investment Plan account and thereby was deemed to have retired. *See*, Exhibit 2, attached hereto.

7. This notification provided that Petitioner could either repay the invalid distributions by March 2, 2012, or in the alternative, could terminate employment by March 2, 2012, and then could agree not to be reemployed with her employer for four (4) full calendar months, or until after August 1, 2012. Petitioner did not respond to this communication.

8. On February 21, 2012, the SBA again notified the Petitioner of the invalid distribution, and gave her until March 30, 2012 to either repay the invalid distribution or to terminate employment for four (4) full calendar months (or until after August 1, 2012). *See*, Exhibit 3, attached hereto. The Petitioner did not respond to this letter.

9. On May 18, 2012, the SBA again notified Petitioner of the invalid distribution, and gave her until June 12, 2012 to either repay the invalid distribution or to terminate her employment for four (4) full calendar months (or until after November 1, 2012). *See*, Exhibit 4, attached hereto. In response to this communication, Petitioner terminated employment on September 14, 2012.

10. On March 27, 2013, the SBA sent Petitioner a letter stating that Petitioner's employer had verified that Petitioner had terminated employment on September 14, 2012. The letter further stated that Petitioner would be deemed to be a "retiree" because she had terminated employment, received a distribution and had not repaid the invalid distribution. The letter also noted that the Petitioner was now eligible to return to FRS-covered employment in any position or capacity as a "reemployed retiree." The letter indicated that Petitioner could request a hearing if she was not satisfied with the decision.

CONCLUSIONS OF LAW

11. Section 121.091(9)(d), Florida Statutes, states that a retired FRS Investment Plan member cannot be reemployed with an FRS-Participating employer until the expiration of six (6) calendar months after the employee has retired. A "retired" member is defined as an FRS Investment Plan member who has both terminated employment and has taken a distribution. *See* Section 121.4501(2)(k), Florida Statutes. Pursuant to Section 121.091(9)(d), Florida Statutes, any FRS Investment Plan member who violates this reemployment after retirement provision, as well as the employer that reemploys such a member, are jointly liable for repaying the invalid distribution. The section provides as follows:

(d) This subsection applies to retirees, as defined in s. 121.4501(2), of the Florida Retirement System Investment Plan, subject to the following conditions:

1. A retiree may not be reemployed with an employer participating in the Florida Retirement System until such person has been retired for 6 calendar months.
2. A retiree employed in violation of this subsection and an employer that employs or appoints such person are jointly and severally liable for reimbursement of any benefits paid to the retirement trust fund from which the benefits were paid. The employer must have a written statement from the retiree that he or she is not retired from a state-administered retirement system.

12. In this case, under the applicable statutes, the Petitioner was deemed to be “retired” as of October 12, 2009, when she took a distribution from her FRS Investment Plan account. She returned to FRS-covered employment before six (6) calendar months had elapsed after the date on which she took a distribution and thereby became a “retiree” as defined by law. The SBA correctly determined that Petitioner had violated Section 121.091(9)(d), and advised her accordingly..

13. Petitioner did not protest the SBA’s determination that she had violated the law, or ask for any reconsideration. Rather, as instructed by the letters sent to her by the SBA, she opted to terminate employment so that she would then become in compliance with the law, and also would be able to keep the partial distributions she had received. She terminated employment for the requisite number of months, and thus became in full compliance with Section 121.091(9)(d).

14. Mootness occurs "when the issues presented are no longer 'live' or when the parties lack a legally cognizable interest in the outcome." Montgomery v. Dept. of Health and Rehab. Services, 468 So.2d 1014, 1016 (Fla. 1st DCA 1985). Here, the issues between the Petitioner and the SBA no longer are "live" or viable.

The Petitioner elected to terminate employment for four (4) calendar months, so that she could retain her distributions while becoming in compliance with applicable law.

Therefore, any issues as to whether the Petitioner was required to repay the distributions or terminate employment are no longer viable and thus the matter is deemed to be moot.

15. Petitioner also contends she suffered hardship by being required to terminate employment since she lost salary for four (4) calendar months, she lost tenure, and she lost her position. She is requesting to be reimbursed for the lost salary. Such a claim is not cognizable in a proceeding before an agency of the executive branch of government. Florida Power and Light Company v. Glazer, 671 So. 2d 211, 214 (Fla. 1996). If Petitioner has a claim for damages against the SBA, that claim must be asserted in a court of law.

16. Petitioner also asserts that the statutory provisions applicable to the FRS Investment Plan should be changed in a manner that is more favorable to the members of the plan. Article III, Section 1 of the Florida Constitution vests the legislative power of the state in the state legislature. The legislature is free to enact any statute unless its enacting authority is expressly or impliedly limited by the Florida Constitution or the United States Constitution. State v. Miller, 313 So.2d 656 (Fla. 1957). Thus, Petitioner needs to direct any requests for statutory changes to the Florida Legislature. The SBA does not have the power to effectuate any such changes.

ORDER


The Petitioner's request for a hearing to determine whether she is entitled to be reimbursed in the amount of the dollar value of the salary payments she lost during the four month period she was required to terminate employment to be in compliance with

Section 121.091(9)(d), Florida Statutes and her request that the applicable statutes be amended by the SBA to make provisions for installment payments and other provisions more favorable to FRS Investment Plan members who return to FRS-covered employment within six (6) months of withdrawing funds from their Investment Plan accounts hereby are denied, with prejudice.

Any party to this proceeding has the right to seek judicial review of the Final Order pursuant to Section 120.68, Florida Statutes, by the filing of a Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the Clerk of the State Board of Administration in the Office of the General Counsel, State Board of Administration, 1801 Hermitage Boulevard, Suite 100, Tallahassee, Florida, 32308, and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice of Appeal must be filed within thirty (30) days from the date the Final Order is filed with the Clerk of the State Board of Administration.

DONE AND ORDERED this 23 day of July, 2013, in Tallahassee, Florida.

STATE OF FLORIDA
STATE BOARD OF ADMINISTRATION



Ron Poppell, Senior Defined Contribution
Programs Officer
State Board of Administration
1801 Hermitage Boulevard, Suite 100
Tallahassee, Florida 32308
(850) 488-4406

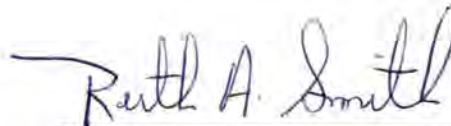
FILED ON THIS DATE PURSUANT TO
SECTION 120.52, FLORIDA STATUTES
WITH THE DESIGNATED CLERK OF THE
STATE BOARD OF ADMINISTRATION,
RECEIPT OF WHICH IS HEREBY
ACKNOWLEDGED.



Tina Joanos
Agency Clerk

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Final Order was sent by UPS to Ms. Laronda J. Brown, pro se, [REDACTED] [REDACTED] [REDACTED], this 23 day of July, 2013.



Ruth A. Smith
Assistant General Counsel
State Board of Administration of Florida
1801 Hermitage Boulevard
Suite 100
Tallahassee, FL 32308

**FRS Investment Plan
Petition for Hearing**
Investment Plan Complaint Resolution
Office of Defined Contribution Programs
P.O. Box 13300
Tallahassee, FL 32317-3300

A) When and how did you receive notice of the SBA's final agency action letter:

I became aware of the letter through the district's benefits office. Mr. Camarino contacted school secretary (H. Watkins) and asked for me to contact him. Mr. Camarino asked if I was aware of the letter he had received. I then received certified letter ~~over~~

List all of your disputed issues. If none, please so indicate:

- a) time limit given to remedy issue (90 days)
- b) the invalid distribution not detected until three years later.

B) Provide a concise statement of the facts, which you believe entitles you to the outcome you are seeking as well as the statutes and rules which support your claim for relief:

The distributed funds were my funds and I feel that the laws pertaining to FRS Investment Plan for Florida employees need to be changed.

C) Provide a statement of the specific facts you contend warrant reversal or modification of the SBA's final agency action letter:

The rules and statutes governing the FRS Investment Plan currently do not favor an employee contributing to the plan. Changes need to be made whereby if an →

D) Provide a statement of the specific statutes or rules which you contend require reversal or modification of the SBA's final agency action letter:

E) Provide a statement of the outcome you are seeking, stating the precise action you want the SBA or the other party to take:

I am asking that the rules and statutes pertaining to FRS Investment Plan be amended in favor of Florida employees. The funds contributed to the FRS Investment Plan belongs to the employee and if a specific needs arises where the employee needs to request a distribution, the distribution should not put the employee's job in jeopardy

over →

A)

① notice to pick up letter from Riviera Beach post. office, only given 90 days to solve a matter which had occurred over 3 years ago. There should be an allowance for employees to make payments or installments, should something like this happens in the future. Something should also be established to allow the employees employer to take/make payments through employees paycheck. Instead of the only two options available is either repay the funds or terminate employment.

① employee needs to request distribution - the distribution will not jeopardize employees job or future contributions to plan. The statutes and rules need to be clear and not be left to state's interpretation only.


② I am also requesting that the lost of funds during the four month unemployment period - be returned to me. By terminating my employment caused strain and hardship, caused loss in tenure with school district and embarrassment.

③ ~~and~~ A better system be in place to catch something ~~of this sort~~ at the beginning of the hiring process

**FRS Investment Plan
Petition for Hearing**
Investment Plan Complaint Resolution
Office of Defined Contribution Programs
P.O. Box 13300
Tallahassee, FL 32317-3300

Provide any other information you contend is material: FRS agencies should be well-informed on the laws pertaining to all retirement plans. More options should be available to employee to repay or rectify a situation like this, should it occur. Current rules & statutes ~~are~~ do not favor an employee which can put an employee in an uncomfortable predicament that affects his or her household significantly!

Please sign your name, and print your name below your signature:


Signature
LARONDA J. BROWN
Print Name

April 25, 2013
Date



STATE BOARD OF ADMINISTRATION
OF FLORIDA

Post Office Box 13300
32317-3300
1801 Hermitage Boulevard-Suite 100
Tallahassee, Florida 32308
(850) 488-4406

RICK SCOTT
GOVERNOR
AS CHAIRMAN
JEFF ATWATER
CHIEF FINANCIAL OFFICER
AS TREASURER
PAM BONDI
ATTORNEY GENERAL
AS SECRETARY
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

January 25, 2012

Ms. Laronda J. Brown
[REDACTED]
[REDACTED]

Re: Invalid Investment Plan Distribution, Case 2012-2348

Dear Ms. Brown:

During a recent audit of Florida Retirement System (FRS) Investment Plan records, it was discovered that you received a distribution from your FRS Investment Plan account in violation of the reemployment after retirement provisions.

Section 121.091(9)(d), Florida Statutes, states that an Investment Plan member cannot be reemployed with an FRS employer until the member has been retired for 6 calendar months. A member is considered "retired" upon taking any distribution from the FRS Investment Plan. A member who violates this requirement and any employing agency who employs such member is jointly liable for returning any funds distributed. As a result of your reemployment on January 20, 2010, you were not entitled to receive the distribution paid to you on October 12, 2009.

Our records indicate that you joined the FRS Investment Plan effective February 1, 2006. You terminated your employment with the Palm Beach County School Board on June 5, 2009. You retired on October 12, 2009, when you received a partial distribution from your FRS Investment Plan account in the amount of \$ [REDACTED]. However, you were reemployed by the Palm Beach County School Board on January 20, 2010, making you actively employed with an FRS-covered employer within 6 calendar months of your distribution date of October 12, 2009.

Therefore, the total of your distributions processed on October 12, 2009 and November 25, 2009 (\$ [REDACTED]) must be returned to the FRS Investment Plan by March 2, 2012 or you must terminate your employment by March 2, 2012. If you repay the total distribution amount of \$ [REDACTED] by March 2, 2012, your account will be restored as if you never took a distribution. The total distribution must be paid in one payment. There are no statutory provisions that will allow a repayment plan or payroll deductions to repay the invalid distribution. Please note that earnings will not be paid for the period of time during which the monies were not invested. You should complete and return the enclosed "Release" to indicate your intentions. If repaying the distribution, your check should be made payable to: "FRS Investment Plan for the benefit of Laronda J. Brown". Your check and the "Release" should be mailed to:

FRS Investment Plan Administrator
P.O. Box 785027
Orlando, FL 32878-5027

EXHIBIT 2

Mr. Laronda J. Brown
Page 2
January 25, 2012

If terminating employment, you must sign the enclosed "Release" indicating you will not be employed with any FRS employer in any capacity until on or after the following condition is met:

- You terminate employment March 2, 2012 and remain off all employment with an FRS-covered employer until August 1, 2012. Effective August 1, 2012, you may return to employment with any FRS-covered employer without any restrictions.

In summary, you must either repay the entire distribution in full or terminate your current employment with Palm Beach County School Board, no later than March 2, 2012. Your current employer, Palm Beach County School Board, is being provided a copy of this letter because they are jointly and severally liable for repayment of the entire amount due since your employment with them caused the distribution to be considered a distribution in violation of the reemployment after retirement provisions. This is your final notification. Failure to repay the invalid distribution or terminate employment may result in the SBA pursuing legal action against you.

Thank you in advance for your cooperation in resolving this matter. If you have any questions, please call me at (850) 413-1495.

Sincerely,



Daniel Beard
Director of Policy, Risk Management, & Compliance
Office of Defined Contribution Programs

cc: Ernie Camerino, Retirement Coordinator, Palm Beach County School Board
Joan Haseman, State Board of Administration
Cathy Smith, Chief of Enrollment and Contributions, Division of Retirement

Attachments



**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

1801 Hermitage Boulevard-Suite 100
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(850) 488-4406

Post Office Box 13300
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RICK SCOTT
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AS TREASURER
PAM BONDI
ATTORNEY GENERAL
AS SECRETARY
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

IN THE MATTER OF:

LARONDA J. BROWN

RELEASE

I. Laronda J. Brown received an invalid distribution and will repay the entire distribution of \$ [REDACTED]. The parties of this settlement, Laronda J. Brown and the State Board of Administration of Florida (SBA), are agree to the following terms of this release:

- a. Section 121.091(9)(d), Florida Statutes, states that an Investment Plan member cannot be reemployed with an Florida Retirement System (FRS) employer until the member has been retired for 6 calendar months. A member who violates this requirement and any employing agency who employs such member is jointly liable for returning any funds distributed.

Laronda J. Brown agrees that she has violated the reemployment after retirement provisions of the FRS, as described above, as a result of receiving a partial distribution of \$ [REDACTED] from the FRS Investment Plan on October 12, 2009 and subsequent reemployment with the Palm Beach County School Board on January 20, 2010.

- b. Laronda J. Brown agrees to repay the total of the distributions processed on October 12, 2009 and November 25, 2009 totaling \$ [REDACTED] by March 2, 2012. Payment shall be made by either certified check or money order payable to the "FRS Investment Plan for the benefit of Laronda J. Brown" and be submitted to:

FRS Investment Plan Administrator
P.O. Box 785027
Orlando, FL 32878-5027

- c. Laronda J. Brown agrees and acknowledges that: she will be returned to the Investment Plan and be classified as an Investment Plan member with all rights and privileges of an Investment Plan member.
- d. Palm Beach County School Board will be notified that they are jointly and severally liable for the repayment of entire amount due since Ms. Brown's employment with them caused the distribution to be in violation of the reemployment after retirement provisions.

II. Laronda J. Brown received an invalid distribution and agrees to **terminate** her FRS covered employment. The parties of this settlement, Laronda J. Brown and the State Board of Administration of Florida (SBA), are agree to the following terms of this release:

- a. Laronda J. Brown agrees to terminate her current employment with the Palm Beach County School Board no later than March 2, 2012 and agrees not to be employed with any FRS employer in any capacity until after either August 1, 2012. The Palm Beach County School Board must provide the SBA written verification of her termination date.
- b. Laronda J. Brown may return to employment with any FRS employer on or after August 1, 2012 without restrictions.

Please indicate your intentions below:

- I. I agree to repay the invalid distribution by March 2, 2012 as provided in I. b. above.
- II. I agree to terminate employment no later than March 2, 2012 as provided in II. a. above.

Please fax this signed release to the attention of Daniel Beard no later than March 2, 2012 (850-413-1489).

Each party shall bear its own costs, if any.

This Release is governed by applicable Florida Statutes, Rules and Policies.

In Witness Whereof, each party has affixed his/her signature below.

Laronda J. Brown

Ron Poppell
State Board of Administration

Date

Date



STATE BOARD OF ADMINISTRATION
OF FLORIDA

Post Office Box 13300
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ATTORNEY GENERAL
AS SECRETARY
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

February 21, 2012

Ms. Laronda J. Brown
[REDACTED]
[REDACTED]

Re: Invalid Investment Plan Distribution, Case 2012-2348

Dear Ms. Brown:

During a recent audit of Florida Retirement System (FRS) Investment Plan records, it was discovered that you received a distribution from your FRS Investment Plan account in violation of the reemployment after retirement provisions.

Section 121.091(9)(d), Florida Statutes, states that an Investment Plan member cannot be reemployed with an FRS employer until the member has been retired for 6 calendar months. A member is considered "retired" upon taking any distribution from the FRS Investment Plan. A member who violates this requirement and any employing agency who employs such member is jointly liable for returning any funds distributed. As a result of your reemployment on January 20, 2010, you were not entitled to receive the distribution paid to you on October 12, 2009.

Our records indicate that you joined the FRS Investment Plan effective February 1, 2006. You terminated your employment with the Palm Beach County School Board on June 5, 2009. You retired on October 12, 2009, when you received a partial distribution from your FRS Investment Plan account in the amount of \$ [REDACTED]. However, you were reemployed by the Palm Beach County School Board on January 20, 2010, making you actively employed with an FRS-covered employer within 6 calendar months of your distribution date of October 12, 2009.

Therefore, the total of your distributions processed on October 12, 2009 and November 25, 2009 (\$ [REDACTED]) must be returned to the FRS Investment Plan by March 30, 2012 or you must terminate your employment by March 30, 2012. If you repay the total distribution amount of \$ [REDACTED] by March 30, 2012, your account will be restored as if you never took a distribution. The total distribution must be paid in one payment. There are no statutory provisions that will allow a repayment plan or payroll deductions to repay the invalid distribution. Please note that earnings will not be paid for the period of time during which the monies were not invested. You should complete and return the enclosed "Release" to indicate your intentions. If repaying the distribution, your check should be made payable to: "FRS Investment Plan for the benefit of Laronda J. Brown". Your check and the "Release" should be mailed to:

FRS Investment Plan Administrator
P.O. Box 785027
Orlando, FL 32878-5027

EXHIBIT 3

Mr. Laronda J. Brown

Page 2

February 21, 2012

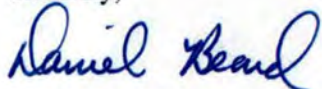
If terminating employment, you must sign the enclosed "Release" indicating you will not be employed with any FRS employer in any capacity until on or after the following condition is met:

- You terminate employment March 30, 2012 and remain off all employment with an FRS-covered employer until August 1, 2012. Effective August 1, 2012, you may return to employment with any FRS-covered employer without any restrictions.

In summary, you must either repay the entire distribution in full or terminate your current employment with Palm Beach County School Board, no later than March 30, 2012. Your current employer, Palm Beach County School Board, is being provided a copy of this letter because they are jointly and severally liable for repayment of the entire amount due since your employment with them caused the distribution to be considered a distribution in violation of the reemployment after retirement provisions. This is your final notification. Failure to repay the invalid distribution or terminate employment may result in the SBA pursuing legal action against you.

Thank you in advance for your cooperation in resolving this matter. If you have any questions, please call me at (850) 413-1495.

Sincerely,



Daniel Beard

Director of Policy, Risk Management, & Compliance

Office of Defined Contribution Programs

cc: Ernie Camerino, Retirement Coordinator, Palm Beach County School Board
Joan Haseman, State Board of Administration
Cathy Smith, Chief of Enrollment and Contributions, Division of Retirement

Attachments



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IN THE MATTER OF:

LARONDA J. BROWN

RELEASE

I. Laronda J. Brown received an invalid distribution and will repay the entire distribution of \$ [REDACTED]. The parties of this settlement, Laronda J. Brown and the State Board of Administration of Florida (SBA), are agree to the following terms of this release:

- a. Section 121.091(9)(d), Florida Statutes, states that an Investment Plan member cannot be reemployed with an Florida Retirement System (FRS) employer until the member has been retired for 6 calendar months. A member who violates this requirement and any employing agency who employs such member is jointly liable for returning any funds distributed.

Laronda J. Brown agrees that she has violated the reemployment after retirement provisions of the FRS, as described above, as a result of receiving a partial distribution of \$ [REDACTED] from the FRS Investment Plan on October 12, 2009 and subsequent reemployment with the Palm Beach County School Board on January 20, 2010.

- b. Laronda J. Brown agrees to repay the total of the distributions processed on October 12, 2009 and November 25, 2009 totaling \$ [REDACTED] by March 30, 2012. Payment shall be made by either certified check or money order payable to the "FRS Investment Plan for the benefit of Laronda J. Brown" and be submitted to:

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- c. Laronda J. Brown agrees and acknowledges that: she will be returned to the Investment Plan and be classified as an Investment Plan member with all rights and privileges of an Investment Plan member.
- d. Palm Beach County School Board will be notified that they are jointly and severally liable for the repayment of entire amount due since Ms. Brown's employment with them caused the distribution to be in violation of the reemployment after retirement provisions.

II. Laronda J. Brown received an invalid distribution and agrees to terminate her FRS covered employment. The parties of this settlement, Laronda J. Brown and the State Board of Administration of Florida (SBA), are agree to the following terms of this release:

- a. Laronda J. Brown agrees to terminate her current employment with the Palm Beach County School Board no later than March 30, 2012 and agrees not to be employed with any FRS employer in any capacity until after either August 1, 2012. The Palm Beach County School Board must provide the SBA written verification of her termination date.
- b. Laronda J. Brown may return to employment with any FRS employer on or after August 1, 2012 without restrictions.

Please indicate your intentions below:

- I. I agree to repay the invalid distribution by March 30, 2012 as provided in I. b. above.
- II. I agree to terminate employment no later than March 30, 2012 as provided in II. a. above.

Please fax this signed release to the attention of Daniel Beard no later than March 30, 2012 (850-413-1489).

Each party shall bear its own costs, if any.

This Release is governed by applicable Florida Statutes, Rules and Policies.

In Witness Whereof, each party has affixed his/her signature below.

Laronda J. Brown

Ron Poppell
State Board of Administration

Date

Date



STATE BOARD OF ADMINISTRATION
OF FLORIDA

Post Office Box 13300
32317-3300
1801 Hermitage Boulevard-Suite 100
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(850) 488-4406

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CHIEF FINANCIAL OFFICER
AS TREASURER
PAM BONDI
ATTORNEY GENERAL
AS SECRETARY
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

May 18, 2012

Ms. Laronda J. Brown
[REDACTED]
[REDACTED]

Re: Invalid Investment Plan Distribution, Case 2012-2348

Dear Ms. Brown:

During a recent audit of Florida Retirement System (FRS) Investment Plan records, it was discovered that you received a distribution from your FRS Investment Plan account in violation of the reemployment after retirement provisions.

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Therefore, the total of your distributions processed on October 12, 2009 and November 25, 2009 (\$ [REDACTED]) must be returned to the FRS Investment Plan by June 12, 2012 or you must terminate your employment by June 12, 2012. If you repay the total distribution amount of \$ [REDACTED] by June 12, 2012, your account will be restored as if you never took a distribution. The total distribution must be paid in one payment. There are no statutory provisions that will allow a repayment plan or payroll deductions to repay the invalid distribution. Please note that earnings will not be paid for the period of time during which the monies were not invested. You should complete and return the enclosed "Release" to indicate your intentions. If repaying the distribution, your check should be made payable to: "FRS Investment Plan for the benefit of Laronda J. Brown". Your check and the "Release" should be mailed to:

FRS Investment Plan Administrator
P.O. Box 785027
Orlando, FL 32878-5027

EXHIBIT 4

Mr. Laronda J. Brown
Page 2
May 18, 2012

If terminating employment, you must sign the enclosed "Release" indicating you will not be employed with any FRS employer in any capacity until on or after the following condition is met:

- You terminate employment June 12, 2012 and remain off all employment with an FRS-covered employer until November 1, 2012. Effective November 1, 2012, you may return to employment with any FRS-covered employer without any restrictions.

In summary, you must either repay the entire distribution in full or terminate your current employment with Palm Beach County School Board, no later than June 12, 2012. Your current employer, Palm Beach County School Board, is being provided a copy of this letter because they are jointly and severally liable for repayment of the entire amount due since your employment with them caused the distribution to be considered a distribution in violation of the reemployment after retirement provisions. This is your final notification. Failure to repay the invalid distribution or terminate employment may result in the SBA pursuing legal action against you.

Thank you in advance for your cooperation in resolving this matter. If you have any questions, please call me at (850) 413-1495.

Sincerely,



Daniel Beard
Director of Policy, Risk Management, & Compliance
Office of Defined Contribution Programs

cc: Ernie Camerino, Retirement Coordinator, Palm Beach County School Board
Joan Haseman, State Board of Administration
Hobart Lawrance, Benefits Administrator, Division of Retirement
Joyce Morgan, Benefits Administrator, Division of Retirement

Attachments



STATE BOARD OF ADMINISTRATION
OF FLORIDA

1801 Hermitage Boulevard-Suite 100
Tallahassee, Florida 32308
(850) 488-4406

Post Office Box 13300
32317-3300

RICK SCOTT
GOVERNOR
AS CHAIRMAN
JEFF ATWATER
CHIEF FINANCIAL OFFICER
AS TREASURER
PAM BONDI
ATTORNEY GENERAL
AS SECRETARY
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

IN THE MATTER OF:

LARONDA J. BROWN

RELEASE

I. Laronda J. Brown received an invalid distribution and will repay the entire distribution of \$ [REDACTED]. The parties of this settlement, Laronda J. Brown and the State Board of Administration of Florida (SBA), are agree to the following terms of this release:

- a. Section 121.091(9)(d), Florida Statutes, states that an Investment Plan member cannot be reemployed with an Florida Retirement System (FRS) employer until the member has been retired for 6 calendar months. A member who violates this requirement and any employing agency who employs such member is jointly liable for returning any funds distributed.

Laronda J. Brown agrees that she has violated the reemployment after retirement provisions of the FRS, as described above, as a result of receiving a partial distribution of [REDACTED] from the FRS Investment Plan on October 12, 2009 and subsequent reemployment with the Palm Beach County School Board on January 20, 2010.

- b. Laronda J. Brown agrees to repay the total of the distributions processed on October 12, 2009 and November 25, 2009 totaling \$ [REDACTED] by June 12, 2012. Payment shall be made by either certified check or money order payable to the "FRS Investment Plan for the benefit of Laronda J. Brown" and be submitted to:

FRS Investment Plan Administrator
P.O. Box 785027
Orlando, FL 32878-5027

- c. Laronda J. Brown agrees and acknowledges that: she will be returned to the Investment Plan and be classified as an Investment Plan member with all rights and privileges of an Investment Plan member.
- d. Palm Beach County School Board will be notified that they are jointly and severally liable for the repayment of entire amount due since Ms. Brown's employment with them caused the distribution to be in violation of the reemployment after retirement provisions.

II. Laronda J. Brown received an invalid distribution and agrees to **terminate** her FRS covered employment. The parties of this settlement, Laronda J. Brown and the State Board of Administration of Florida (SBA), are agree to the following terms of this release:

- a. Laronda J. Brown agrees to terminate her current employment with the Palm Beach County School Board no later than June 12, 2012 and agrees not to be employed with any FRS employer in any capacity until after either November 1, 2012. The Palm Beach County School Board must provide the SBA written verification of her termination date.
- b. Laronda J. Brown may return to employment with any FRS employer on or after November 1, 2012 without restrictions.

Please indicate your intentions below:

- I. I agree to repay the invalid distribution by June 12, 2012 as provided in I. b. above.
- II. I agree to terminate employment no later than June 12, 2012 as provided in II. a. above.

Please fax this signed release to the attention of Daniel Beard no later than June 12, 2012 (850-413-1489).

Each party shall bear its own costs, if any.

This Release is governed by applicable Florida Statutes, Rules and Policies.

In Witness Whereof, each party has affixed his/her signature below.

Laronda J. Brown

Ron Poppell
State Board of Administration

Date

Date



**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

Post Office Box 13300
32317-3300
1801 Hermitage Boulevard-Suite 100
Tallahassee, Florida 32308
(850) 488-4406

RICK SCOTT
GOVERNOR
AS CHAIR
JEFF ATWATER
CHIEF FINANCIAL OFFICER
PAM BONDI
ATTORNEY GENERAL
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

March 27, 2013

Ms. Laronda J. Brown
[REDACTED]
[REDACTED]

Re: Invalid Investment Plan Distribution, Case 2012-2348

Dear Ms. Brown:

As you are aware, we mailed you a letter dated May 18, 2013 in which we indicated you had received a distribution from your Florida Retirement System (FRS) Investment Plan account in violation of the distribution provisions of the FRS.

Section 121.591(1)(a)5., Florida Statutes, states that a member or former member of the FRS Investment Plan who receives an invalid distribution from the FRS Investment Plan has 90 days after receipt of final notification to repay the invalid distribution. Or, in lieu of repayment, the member must terminate employment from all participating employers. If full repayment is not made within 90 days after receipt of final notification, the State Board of Administration may declare the member a retiree of the FRS Investment Plan.

Our records indicate that you joined the FRS Investment Plan effective February 1, 2006. You terminated your employment with the Palm Beach County School Board on June 5, 2009. You retired on October 12, 2009, when you received a partial distribution from your FRS Investment Plan account in the amount of \$ [REDACTED]. However, you were reemployed by the Palm Beach County School Board on January 20, 2010, making you actively employed with an FRS-covered employer within 6 calendar months of your distribution date of October 12, 2009.

The Palm Beach County School Board has provided verification that you terminated employment on September 14, 2012. Since you did not repay the total invalid distribution within 90 days after receipt of final notification and opted to terminate employment, we have declared you a retiree. As a retiree of the FRS Investment Plan, if you return to FRS covered employment, you are considered a "reemployed retiree" and subject to the laws and rules governing such employees.

Additionally, effective immediately, you may return to employment with a FRS-covered employer in any position and/or capacity.

EXHIBIT 5

Ms. Laronda J. Brown

Page 2

March 27, 2013

The SBA considers the above decision final. If you are not satisfied with this decision, you may request a hearing with the SBA by completing and submitting the attached Form SBA-PFH, Petition for Hearing, within 21 days of receipt of this letter. The petition must be filed (received) in the Office of Defined Contribution Programs within the 21-day period. Failure to file a petition within 21 days will waive your right to a hearing.

If you have any questions please call me at (850) 413-1495.

Sincerely,

A handwritten signature in cursive script that reads "Daniel Beard".

Daniel Beard

Director of Policy, Risk Management, & Compliance

Office of Defined Contribution Programs

cc: Ernie Camerino, Retirement Coordinator, Palm Beach County School Board
Joan Haseman, Director of Administration, State Board of Administration
Joyce Morgan, Chief of Enrollment and Contributions, Division of Retirement