**Policy**

The Bureau of Services to the Blind and Visually Impaired (BSBVI), Business Enterprises of Nevada Program (BEN), as approved by the majority of licensed operators, and approved by a majority of the Nevada Committee of Blind Vendors (NCBV), has established a Retirement Income Program for all eligible licensed blind operators. The Bureau will distribute a retirement income benefit to qualifying Operators in the minimum amount of $9,000 per year. Additional income may be distributed among eligible operators in excess of the base reserve amount as stated in this policy. The Retirement Income policy is established as pursuant to NAC 426.383 and also permitted by CFR 34 Part 395.9(b) of the Randolph-Sheppard Act.

**Determination**

The minimum retirement income of $9,000 per state fiscal year is established within this policy and is effective upon approval of this policy. The annual retirement distribution occurs in January of each year. If the policy is approved after January, the additional amount over the current $7,000 annual amount will be distributed by the Bureau after the determination that sufficient state budget authority exists.

The annual amount for retirement income distribution in addition to the minimum will be determined by April of the preceding year of the start of the biennium and will remain in effect through the biennium. For example, the amount is to be determined by April 2016 for the SFY18/19 biennial budget request. This allows for the amount to be included in the biennial budget request and through the legislative process, be approved by the Legislature. The NCBV Finance Sub-committee will work with the Bureau in determining the amount available for retirement income distribution. The NCBV will discuss, vote, and call for a vote of the majority of licensed operators to adopt the amount available for distribution in the coming biennium.

The annual amount considered as additional retirement income distribution will be determined by the following:

1. The amount of money in the Business Enterprise Account for Persons Who are Blind;
2. The current and projected expenses of the Bureau and other required uses of the money;
3. Any reserves which the Bureau determines it must maintain; and
4. The number of operators who are anticipated to be eligible to receive a retirement income benefit;

BEN Base Reserve Amount is to equal to $3,000,000 to ensure the health of the Business Enterprises of Nevada program.

Within 30 days of approval of NAC 426.383 and this policy, a one-time amount will be distributed to all licensed operators in the amount of $1,000 for every full year as a licensed operator, not to exceed $25,000 per operator (full year calculation will be as of the date the policy is approved). If sufficient state budget authority does not exist, the Bureau will put forth a work program for the State of Nevada’s Interim Finance Committee consideration and approval.

Within 45 days of this policy going into effect, the NCBV will conduct a meeting to determine the additional amount of funding available for Retirement Income during the following biennial cycle (SFY 16/17), (due to the timing of the final approval not allowing for the inclusion in the SFY16/17 biennial requests).

**Eligibility**

1. A licensed blind operator operating a vending facility as part of the Business Enterprises of Nevada (BEN) program; or,
2. A licensed blind operator who is not currently operating a vending facility but who has retained the license issued by the Bureau; or,
3. A licensed blind operator of a vending facility operating under an Interim Operating Agreement.

An individual meets the criteria of being licensed when the terms and conditions of NAC 426.110 et seq. are met.

**Distribution**

1. Years of service will be determined utilizing the State Fiscal Year time period and will be counted and accrued as of June 30th. For the purposes of determining the retirement income due to the operator, years of service balance which will be used for calculation will be the amount of full years on June 30th prior to the distribution.
2. Licensed Operators must be vested with five (5) years of service to receive one hundred percent (100%) of the $9,000 retirement income. Operators who have less than 5 years of service will receive retirement income as a prorated amount based on following formula:

 Time of licensure up to one (1) year – Ten percent (10%)

 One (1) year plus one day to two (2) years – Twenty percent (20%)

 Two (2) years plus one day to three (3) years – Forty percent (40%)

 Three (3) years plus one day to four (4) years – Sixty percent (60%)

 Four (4) years plus one day to five (5) years – Eighty percent (80%)

 Five (5) years plus one day or more – Hundred percent (100%)

1. The additional retirement amount to be distributed will be divided by the total number of shares in order to determine a per share amount. In order to determine amount of shares the operator will receive, shares will be counted and based on the full years of service as of June 30th. Total number of shares the operator will receive will be determined by the following tenure formula:

One year to ten years – One (1) share

Ten years plus one day to twenty years – Two (2) shares

Twenty years plus one day and more – Three (3) shares

1. Retirement income benefit is paid annually in January of each calendar year by an electronic funds transfer in the amount of $9,000 to each eligible Operator based on the years of service in the program accrued as of June 30th, representing the Bureau’s contribution for each recipient’s individual investment for the purpose of retirement income. The additional retirement amount, if applicable, will also be paid by an electronic funds transfer in the amount approved by the NCBV and the Legislature or its appointing body and calculated using the formula described above.
2. Within 45 days of the retirement income distribution, as required by the Randolph Sheppard Act and as one of the aspects verified by the Rehabilitation Services Administration – US Department of Education (RSA) during their audits of State BEP Programs, operators are required to provide the Bureau documentation of the deposit made to a retirement fund of their choosing.
3. Operators are responsible for any income tax liability resulting from the conveyance.
4. Operators are advised to contact a reputable investment firm, insurance company, bank or financial planner if they desire professional advice regarding retirement income planning.



APPROVED BY

United States Department of Education

Office of Special Education and Rehabilitative Services

Rehabilitation Services Administration

DATE OF APPROVAL

February 23, 2015

SIGNED BY

Janet L. LaBreck, Commissioner

(Approval letter attached, page 5 of this document)

