

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Douglas Treadway

DATE: February 9, 2005

SUBJECT: Approval of Agreement with RSG Securities to Implement a 403b Retirement Plan and a 457b Retirement Plan

It is proposed that the Board of Trustees approve an agreement between RSG Securities and the Ohlone Community College District to implement Elite Choice – 457b and 403b employee Retirement Plans, effective April 1, 2005. RSG Securities is a Keenan & Associates Company.

RSG Securities will be engaged as an agent of the District, providing administrative, consulting, and plan document services. RSG Securities will also assist with preparing the Investment Policy Statement and engaging plan Investment Manager and Trustee/Custodian. RSG will monitor on the District's behalf the Investment Manager activities and assist with educating employees about plan provisions and investment options.

The initial term of the agreement is for three years with a one year extension provision. There is no cost to the District for RSG Securities services. RSG Securities receives a management fee by charging a percentage of the growth of individual invest portfolios. RSG Securities charges no up front and no withdrawal fees.

The agreement document has been reviewed by District legal counsel.

RECOMMENDATION:

The President/Superintendent recommends approval of the proposed agreement between RSG Securities and the Ohlone Community College District to implement Elite Choice 457b Deferred Compensation and 403b Tax Sheltered Annuity supplemental employee retirement plans. There is no cost to the District for RSG Security services. The proposed plan would be effective April 1, 2005.

DT:LKE/di