

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Douglas Treadway

DATE: April 13, 2005

SUBJECT: Approval of Agreement with RSG Securities to Implement a Governmental 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—a Governmental 457b Employee Retirement Plan, effective June 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 the plan Investment Manager and Trustee/Custodian. RSG Securities will monitor, on the District's behalf, the Investment Manager activities and assist with educating employees about plan provisions and investment options.

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 investment portfolios. RSG Securities charges no up front and no withdrawal fees. The initial term of the agreement is for three years with a one-year extension provision. The agreement may be terminated by either party with 60 days written notice.

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 Governmental 457b Deferred Compensation Supplemental Employee Retirement Plan. There is no cost to the District for RSG Securities services. The proposed plan would be effective June 1, 2005.