

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

Consent Agenda item

FROM: Gari Browning

DATE: August 13, 2008

SUBJECT: Approval of Contract No. 377-0901 with Richard Thompson For GASB 43 & 45 Consulting Services

In order to be in compliance with GASB 43 & 45, the Other Post Employment Benefit pronouncements, during the 2008-09 and 2009-10 fiscal years the District is intending to implement a compliance plan as soon as possible. In planning for this implementation, the staff has secured an actuarial study and has budgeted the current actuarial determined annual required contribution (ARC). The additional requirements that need to be addressed prior to completing the implementation include:

- Development of a substantive plan
- Conflict of interest mitigation and policy development
- Mitigation of fiduciary liability and policy development
- RFP process development and review for a plan trustee and other service vendors
- Develop a legally sound and District favored GASB43 &45 compliance vendor plan and agreements
- Development of a “Retirement Board of Authority”
- Preparation of required first year supplemental information schedules

In order to complete these requirements the District is seeking a contract with RPM Consultant Group. Chuck Thompson, President/CEO of RPM Consultant Group has 29 years of insurance, financial and related experience with 12 years of public entity experience. RPM Consultant Group has created, developed, and installed GASB 43 & 45 compliance plans for Contra Costa CCD, San Jose/Evergreen CCD, San Mateo CCD, South Orange CCD and West Kern CCD with three other Districts pending board approval. This experience and support will be valuable, will provide fiduciary liability mitigation and will provide cost savings, to staff in completing and implementing the final requirements for the Districts full GASB 43 & 45 compliance. The cost of the contract will be \$97,800 over the 2008-09 and 2009-10 fiscal years. The contract will be funded initially from the proceeds in the Internal Service Fund 69 and ongoing by the Trust Company netted from the interest rate of return on investments.

RECOMMENDATION

The President/Superintendent recommends Board of Trustees approve a consulting contract no. 377-0901 with Richard Thompson of RPM Consultant Group to provide services to establish and meet all of the GASB 43 & 45 compliance goals and related issues.