

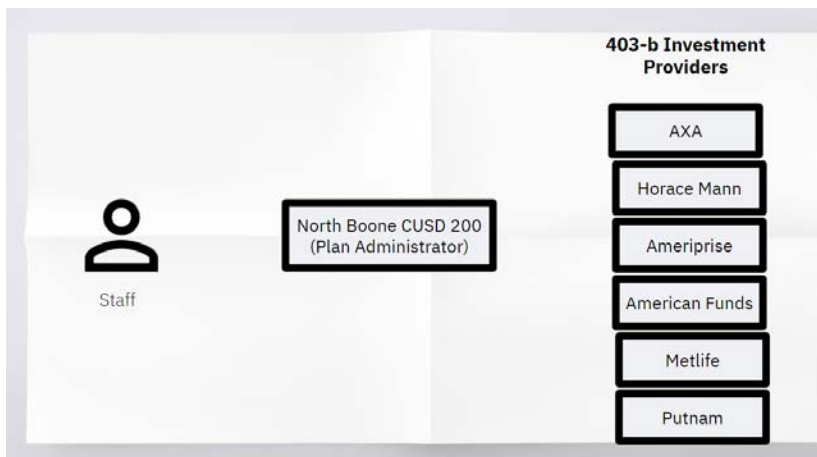
ATTACHMENT NO. X-E: THIRD PARTY ADMINISTRATOR SERVICES FOR
403(B)/ 457(B) RETIREMENT SAVINGS PLAN

Potential motion: Informational

Recommended action: Informational

A 403(b)/457(b) plan is a retirement plan offered by public schools and certain tax exempt organizations. These are also known as Tax-Sheltered Annuity plans. These plans let employees defer some of their salary into individual accounts and it is not subject to federal or state income tax until its distributed.

Currently North Boone oversees and administrators the 403(b) plan for the District.



It is being recommended by the 403(b) committee that we contract with a Third Party Administrator.



Benefits of using a Third Party Administrator:

- Keep current on our plan to meet the tax codes
- Represent North Boone in audit situations
- Provide resources and information for staff
- Plan evaluation and reporting

The Committee recommends using TSA Consulting Group for our Third Party Administrator. This group would allow all employees to keep their current investment providers. There are no fees assessed by TSACG to the employer or its employees. The fees are billed to the investment providers.

Next Steps:

Bring to Board of Education in February.



TSA
CONSULTING GROUP

**Third Party Administration Services
403(b) and 457(b) Plans**

**Request for Proposal
Third Party Administrator Services for
403(b)/457(b) Retirement Savings Plan**

Submitted by:
TSA Consulting Group, Inc.
Compliance & Administration Service Provider
73 Eglin Parkway NE, Ste. 202 • Fort Walton Beach, FL 32548
1-888-777-5827 • www.tsacg.com



Total Plan Administration with Total Peace of Mind

RE: Proposal for Third Party Administrator Services for 403(b)/457(b) Retirement Savings Plan

Dear Valued Employer,

Thank you for your interest in our firm and the opportunity to present the services we provide to governmental employers. This proposal has been prepared to demonstrate our desire and ability to provide comprehensive retirement compliance administration services to your entity.

Founded in 1996, TSACG is the nation's largest independent provider of compliance and administration services for retirement plans sponsored by public education employers. We trust that you will agree that the wide acceptance and success of our Total Plan Administration® program stems primarily from our unbiased professional approach to compliance and administration. Our firm does not market investment products or give investment advice to the employees of our clients. Further, TSACG is not affiliated with any provider of investment products or services. This position is, in our opinion, the only way to completely avoid a conflict of interest as well as the potential of negative perceptions by participants and investment product providers alike.

To date, our firm is contracted to provide the industry leading Total Plan Administration® program to over 4,000 plans in 46 states, 1.7 million participants, and \$50 billion in assets under care. It should also be noted that 16 of the 50 largest, including 7 of the top 10, school districts in the U.S. are clients of our firm. Further, in the last five years, our firm has served as Special Power of Attorney for more than 70 public education employers for the duration of the IRS audits of their retirement plans.

Full compliance with applicable Internal Revenue Service guidelines is an extremely important concern for all public employers. Our Total Plan Administration® components and services allow employers to enhance this valuable employee benefit and effectively address the increasing employer responsibilities associated with 403(b)/457(b) retirement plans. Our confidence in this arena is evidenced by our industry exclusive **Contractual Compliance Guarantee**, assuring each client of accurate administration under IRS examination. See Exhibit A for a copy of the guarantee.

This proposal describes the necessary elements of a compliant plan administration program and will demonstrate that TSACG is the leading source of information and services to employers in this area of concern. We trust that this proposal will facilitate your evaluation of our services and comprehensive compliance program.

Sincerely,



Paul Bottoms
Senior Plan Consultant

Company Overview



Company Overview

TSACG is an independent, fee-based provider of IRS retirement plan compliance administration services to public education and governmental employers. The company was founded in 1996 by Joseph E. Rollins, President/CEO, and Stephen R. Banks, Executive Vice President. TSACG does not market or sell investment products and is not affiliated with any provider of 403(b)/457(b) investments. TSACG developed the Total Plan Administration® program to encompass a comprehensive list of compliance components for plan types common to governmental employers including 401(a), 401(k), Traditional and Roth 403(b)/403(b)(7), and 457(b) Deferred Compensation Plans. Standard deliverables also include employee educational materials and ongoing consulting services to enhance existing plans and assist in the implementation of new plans.

Full compliance with applicable Internal Revenue Service (IRS) guidelines is an extremely important concern for all public employers. Our Total Plan Administration® program components and services allow employers to enhance this valuable employee benefit and take control of the inherent employer responsibilities associated with all retirement plans.

Specific services outlined in TSACG's standard contract and included in this quote are as follows:

- Online distribution system*
- Common remittance system with MAC Limit monitoring**
- Online SRA processing
- IRS Pre-Approved Volume Submitter Plan Document
- Contribution monitoring with corrective assistance for prior years
- Printed employee educational materials (Universal Availability)
- Onsite IRS audit assistance
- Comprehensive Plan evaluation and reporting
- Provider evaluations and service agreements
- Industry-exclusive Contractual IRS Compliance Guarantee
- Continuous aggregation of Plan level data with demographic files
- Investment Provider Service***
- Financial Wellness Center****
- Plan compliant forms and documents customized to each plan sponsor
- Toll-free Bilingual customer services call center



*Online Distribution System

TSACG maintains an advanced Web-based Online Distribution System for use by Plan Sponsors and participants. The system provides the opportunity for employees to obtain an immediate Certificate of Approval. The system is available 24 hours a day, seven days a week. Reports are available to authorized staff to view aggregate data on all plans hosted provided to employees. In addition, TSACG

team members are available to assist with transactions for participants unable to access the Online Distribution System.

****Common Remittance System (EPARS®)**

The Electronic Process for Automated Remittance Services, or “EPARS,” allows the Plan Sponsor to combine multiple provider remittances into one deposit via electronic funds transfer and transmit remittance data utilizing a secure Web-based application. The Plan Sponsor maintains full control of remittance funds and significantly reduces administrative tasks and errors during the process. EPARS allows contribution remittances to be deposited within 24 hours while offering the maximum protection possible for private participant information.

*****Investment Provider Remittance Services**

Unlike many of our competitors that only remit participant contributions twice weekly, TSACG remits funds daily to investment providers to ensure participants receive maximum opportunity for their voluntary retirement plan contributions. Less than daily remittances amount to weeks of lost opportunity for employee contributions on an annual basis.

******Financial Wellness Center**

TSACG is also pleased to provide the Financial Wellness Center (FWC). The website contains 9 modules that allow participants to watch any of the 11 videos, read up to 74 educational articles, or utilize 56 planning calculators curated for the specific needs of educators.

Center resources can be accessed 24/7 on our website, and additional videos are available through our employee education portal. By housing the videos online, it eliminates the cumbersome need for the plan sponsor to store and distribute financial wellness materials.



[Financial Wellness Center | Your source for Financial Wellness Information \(usrbpfinancialwellness.com\)](http://usrbpfinancialwellness.com)

Recordkeeping and Provider Re-evaluations

TSACG continues to build upon the substantial advancement it has made with respect to program standardization to address the IRS requirements placed on clients. TSACG has developed a streamlined and centralized recordkeeping system critical to compliance with the IRS regulations, and TSACG continues to re-evaluate all present 403(b)/457(b) providers to verify compliance capabilities.

Clientele

TSACG is the nation's largest independent TPA and is contracted to provide its Total Plan Administration® program to over 3,000 employers in 46 states nationwide representing over 4,000 plans, 1.7 million participants, and \$50 billion in assets under care. It should be noted that 16 of the 50 largest, including 7 of the top 10, school districts in the U.S. are clients of our firm.

Professional Associations

The principals of TSACG are actively involved in the primary industry professional organizations for 403(b) and 457(b) retirement plans. Members of these organizations include prominent industry legal and tax counsel, plan administration firms, investment product providers, and representatives from the Internal Revenue Department and the Department of Labor. The work of these organizations is influential in the drafting of legislation applicable to retirement plans and in the subsequent policy, regulation and procedures affecting plan sponsors (employers) and participants.

- **American Retirement Association (ARA)** – The American Retirement Association has a long and storied reputation that dates back to its founding in 1966 as the American Society of Pension Actuaries. Today its 25,700+ members and five premier retirement industry associations include every type of pension professional – from business owners, actuaries, consultants and administrators, to insurance professionals, financial advisors, accountants, attorneys and human resource managers. While American Retirement Association members come from all corners of the country, representing every part of the industry, they are all united by their belief in and commitment to the private pension system.
- **American Society of Pension Professionals and Actuaries (ASPPA)** – ASPPA is the premier national organization for career retirement plan professionals. The membership is comprised of the many disciplines supporting retirement income management and benefits policy. Members are part of the diversified, technical, and highly regulated benefits industry. ASPPA represents the most committed individuals of the profession—those who have made a career of retirement plan and pension policy work.
- **National Tax-Deferred Saving Association (NTSA)** – The NTSA is the nation's only independent, non-profit association dedicated to the 403(b) and 457 marketplaces. The NTSA was formed in 1989 and has grown to include practitioners, agencies, corporate, and employer members. The NTSA's mission is to provide high-quality related education, technical support, information resources, and networking forums for all professionals involved in the 403(b) and 457 marketplaces.

- **The SPARK Institute – The SPARK Institute is the leading voice in Washington for the retirement plan services industry. The Institute has become a key industry resource in Washington since 1987 by developing and promoting practical and balanced solutions on critical issues that impact plan sponsors, participants, and service providers. Membership is comprised of senior executives and expert practitioners from the banking, insurance, mutual fund, investment advisor, third party administration, and benefit consulting industries. Collectively, our members serve over 95% of the more than 82 million U.S. defined contribution participants.**

TSACG's Distinguishing Service

There are many reasons for TSACG to consider itself the industry leader in the public education arena, but below are some of the highlights that TSACG believes separates our firm from other TPAs in the industry:

- **Market Focus** – More than 25 years dedicated solely to public education employers;
- **Plan Consultants** – Nine (9) consultants who work with clients nationwide. Each client is assigned a dedicated Plan Consultant to provide assistance with technical and plan design questions. Our consulting services, which are not replicated by any other TPA in this industry, are provided to our clients at no additional cost;
- **Onsite IRS Audit Assistance** – Acted as a special power of attorney in more than 70 audits over the last five years all of which ended successfully;
- **Legal Counsel** – Provided in-house by an expert in the 403(b)/457(b) market;
- **Technology** – Commitment to develop and maintain state-of-the-art technology and services has made us the leading independent compliance source and 403(b)/457(b) plan administrator in this market;
- **Employee Education** – Emphasis on employee educational components in our Total Plan Administration® program;
- **SSAE16** – TSACG's systems and processes are routinely examined and certified via an SSAE16 audit;
- **Electronic Contribution Remittance** – Unlike many of other TPA's, our proprietary common remitter system processes vendor contributions daily. All contributions are distributed to investment providers within 24 hours of receipt;
- **Independent Plan Administrator** – TSACG is truly independent. We do not market investment products, give investment advice or have any direct or indirect affiliation/ownership interest in advisory firms which market retirement investments. This position is, in our opinion, the only way to completely avoid a conflict of interest as well as the potential of negative perceptions by participants and vendors alike. Our unbiased approach to 403(b) and 457(b) administration combined with extensive experience in consulting and comprehensive deliverables has proven to be a successful solution for public education employers.

TSACG has processed over 600,000 transactions over the past 5 years

TSACG's philosophy towards this industry and its clients can be found in the firm's mission statement:

"TSACG is committed to providing superior plan compliance and administration services to its clients. We continue developing and maintaining state-of-the-art information systems for plan sponsors and employees, which ensures the viability of their retirement savings programs. TSACG serves clients by providing the right solutions to fit each individual client's needs. We are continually broadening our approach to professional representation, ethical standards, and comprehensive performance of our duties in the service of our clients."

KEY PERSONNEL BACKGROUNDS

Primary Consultant

Paul N. Bottoms – Senior Plan Consultant

pbottoms@tsacg.com

Mr. Bottoms has been employed with TSACG since 2016. As a Plan Consultant, he is responsible for client and provider relations. His prior employment includes work in aerospace sales and quality control. Mr. Bottoms completed his education in 2014, earning a Bachelor of Science degree in Accounting from University of West Florida.

Secondary Consultant

Robert A. Ard – Senior Vice President, Chief Compliance Officer

rard@tsacg.com

Mr. Ard started his professional career in 1995 after completing his education at the University of West Florida with a B.S in Criminal Justice. He joined TSA Consulting Group in 2002 as Plan Consultant. Prior to his employment with TSA, Mr. Ard served as an employee benefits representative with American Heritage Life Insurance Company.

Participant Services Administration

Lana K. Woodring – Vice President of Administration Services

lwoodring@tsacg.com

Ms. Woodring has more than 28 years' experience in the retirement services industry and was instrumental in creating and managing the day to day operations of Great American Plan Administrators, which was acquired by TSACG in 2011. Ms. Woodring joined TSA Consulting Group in July 2011 and has significant expertise in the areas of common remitting and contribution processing. Additionally, she is responsible for the common remitting and recordkeeping functions at TSACG. Ms. Woodring holds a B.S. in Business Management from The College of Mount St. Joseph.

HOURS OF OPERATION AND LOCATIONS

TSACG has seven office locations. Hours of operation are Monday-Thursday 7:00 AM – 7:00 PM CST and Friday 7:00 AM – 5:00 PM CST. TSACG employs 102 associates who excel at identifying the type of assistance needed to ensure each inquiry is handled quickly and efficiently.

TSACG Administrative Office
15 Yacht Club Dr. NE

Fort Walton Beach, FL 32548

Functions: Plan review and design, consulting services, investment provider relations, contracting, IRS audit coordination

TSACG Participant Services Office

73 Eglin Pkwy NE, Suite 302

Fort Walton Beach, FL 32548

Functions: Participant transaction processing, common remitting services

TSACG Data Office & Print Facility

28 Ferry Rd SE

Fort Walton Beach, FL 32548

Functions: Data and IT services, compliance/limit testing, IRS audit support, print services

Our highly trained
client service
representatives
provide service to
approximately
120,000 callers
annually.

ADDITIONAL SERVICES AND SOLUTIONS

TSACG provides numerous services and solutions that set us apart from other Plan Administrators within the 403(b)/457(b) industry:

Plan Consultants

TSACG has Plan Consultants who are team members and subject matter experts who work with each client for overall Plan Compliance including some of the following specialty areas:

- **IRS Onsite Audit Representation – Plan Consultants:**
 - Attend all meetings **in person** with Plan Sponsor and auditor.
 - Facilitate execution of Form 2848, which grants TSACG Power of Attorney.
 - Assist Plan Sponsor with answering Information Document Requests (IDR).
 - Facilitate compilation of data from investment providers for submission to auditor.
 - Other interactions and support as necessary as each audit is different.
- Plan provision review
- Employment contract review as it pertains to the Plan
- Union interaction/collaboration regarding the Plan
- Investment Provider RFI and product review
- Investment Provider interaction as it pertains to compliance deviations by their company

Program Services Team

TSACG provides a **dedicated** point-of-contact team for each Plan Sponsor to provide direction for inquiries. This team facilitates Plan Sponsor requests, answers questions, makes Plan provision changes, executes changes to authorized investment provider lists, directs Plan Sponsors to other departments as needed, and much more.

Same Day Remittance

Unlike many of our competitors that only remit participant contributions twice weekly, **TSACG remits funds daily** to investment providers to ensure participants receive maximum opportunity for their voluntary retirement plan contributions. Less than daily remittances amount to weeks of lost opportunity for employee contributions on an annual basis.

TSACG's proprietary common remitter system, Electronic Process for Automated Remittance Services, or "EPARS," allows our clients to combine multiple provider remittances into one deposit via electronic funds transfer and transmit remittance data utilizing a secure Web-based application. The Plan Sponsor maintains full control of remittance funds and significantly reduces administrative tasks and errors during the process. EPARS allows contribution remittances to be deposited within **24 hours** while offering the maximum protection possible for private participant information.

TSACG has
processed over
\$1.6 Billion in
employee
contributions the
last 12 months.

In addition to the use of our common remitter system for the submission of remittance data, our firm recommends transmitting funds to us via ACH/wire. This method allows our firm to process participant contributions in the most expeditious manner possible. **For example, monies and data received electronically and in good order (the remittance detail balances to the ACH/wire amount) are processed and released via ACH to each investment provider on the day of receipt.** Our common remitter service handles nearly **\$1.6 billion** in contributions annually.

Online Salary Reduction Agreement (SRA) Process

TSACG has developed our online SRA process to ease the administrative burden of the employer and create an enhanced user experience for employees.

- The system can be accessed **24 hours a day, 7 days a week.**
- Employees can start, change, or stop a 403(b) or 457(b) SRA at their convenience.
- Employees receive an immediate online confirmation that their request has been submitted.
- Authorized Investment Provider Agents/Representatives can assist employees.
- Employees simply visit <https://sra.tsacg.com> to access the online system.
- A list of authorized Investment Providers is available at <https://www.tsacg.com>.

Employee Education and Meaningful Notice

TSACG maintains a high-volume, print-on-demand division that currently produces several types of educational materials or “meaningful notice” employee communications. These publications range from basic summary plan descriptions and enrollment information to comprehensive retirement benefit handbooks, personalized upon receipt of a monthly demographic file from the Employer, for each employee on an annual basis. TSACG offers these materials in either print or electronic format to fit the needs and distribution method easiest for the Employer. All eligible employees receive educational materials regardless of participation in any of the plans sponsored by the employer. These educational materials will serve as the effective opportunity aspect of the IRS’ Universal Availability requirements. Please see Exhibit B for a copy of our Plan Participation Guide.



Educational video presentations are also produced and posted online at <https://www.tsacg.com/individual/educational-videos/> for continual access. These educational videos are provided in addition to the Financial Wellness Center videos that TSACG hosts at <https://usrbpfinancialwellness.com>. These online education options allow employees to research and explore information at their own pace and at the time that is most convenient for them.

In addition, TSACG will work with the Employer as well as investment providers to find the right educational approach for employees, including workshops, online webinars, and other methods adaptable for employee use and time constraints. Participant education is of paramount importance to us!

Price Proposal



Employer
Pays
\$0



Employees
Pay
\$0



Investment Provider
Pays
\$2

TSA
CONSULTING GROUP

PRICE/BUSINESS QUOTE

TSACG will provide all services described in this proposal at **no cost to the Employer**. Our firm understands the fiscal challenges faced by governmental employers and has worked diligently with investment providers to develop a model whereby the authorized providers incur the cost of administrative services. The cost of our services such as described in this proposal are **\$2.00 per participant per month, billed to the investment provider**. A majority of all investment providers operating in the governmental 403(b)/457(b) marketplace have agreed to this structure on behalf of TSACG clients.

The above will be our firm's only revenue source. **No fees will be assessed by TSACG to the Employer or its employees.**

Specifically, our fees are as follows:

Set up Fees:	None
Plan Consulting Fees:	None
Administration Fees:	None
Recordkeeping Fees:	None
Compliance Fees:	None
Travel and Expense Fees:	None
IRS Audit Support Fees:	None
Plan Document Fees:	None
Transaction Authorization Fees:	None
Educational Materials Fees:	None

Exhibits

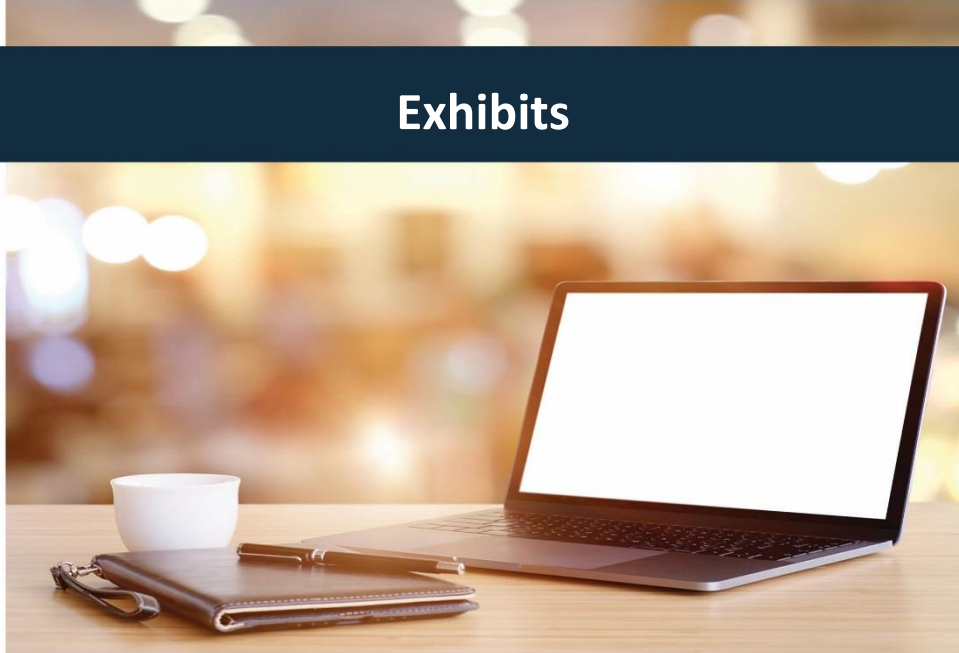


Exhibit A

IRS Contractual Compliance Guarantee

IRS Contractual Compliance Guarantee

TSACG Consulting Group, Inc. (TSACG) guarantees retirement plan compliance with regulations and guidelines issued by the Internal Revenue Service (IRS) for all clients that are subject to IRS audit for a calendar year in which the client has a Retirement Plan Compliance and Administrative Services Agreement continually in effect with TSACG from January 1 through December 31 of the year/years under audit. In the event that the IRS determines, on audit, that there is a compliance failure with respect to the client's plan, and the client incurs financial loss due to that determination, TSACG will reimburse the client for the tax penalty and interest assessed by the IRS in connection with that compliance failure, or will refund the client 100% of the administrative fees collected by TSACG for that calendar year, whichever is less. This guarantee is contingent on the following items being true:



1. TSACG is appointed to represent the client (at no additional charge) during the audit. (IRS Form 2848 – Power of Attorney and Declaration of Representative)
2. The compliance failure is not related to inaccurate communications or data provided to TSACG for which the client was/is responsible.
3. The client has continually acted in cooperation with the operational directives offered by TSACG relative to the plan audited.

This IRS Compliance Guarantee is effective for contracts dated on or after October 1, 2019.



Exhibit B

TSACG Participant Plan Guide