

# **Retirement Plan Compliance and Administration Services Agreement**

**PREAMBLE:** The following constitutes a binding “Agreement”, effective as of October 1, 2007 between TSA Consulting Group, Inc. a Florida Corporation, (hereinafter referred to as “TSA”) whose principal place of business is 15 Yacht Club Drive NE, Ft. Walton Beach, Florida 32548 and the Sarasota County District School Board (hereinafter referred to as “Board”) whose principal place of business is 1960 Landings Blvd., Sarasota, FL 34231.

**PURPOSE:** Board wishes to retain the services of TSA to provide compliance administration services to the Board for the Board’s voluntary retirement programs under Section 403(b) of the Internal Revenue Code (“403(b)”) as well as other qualified and non-qualified retirement plans including, but not limited to Internal Revenue Code (IRC) Section 401(k), 401(a) and 457 plans and TSA is willing to provide such services.

1. TSA agrees that for a period of twelve (12) months, commencing with the effective date of this Agreement, it will, consistent with its other obligations, render to Board such consulting and administration services set forth in Exhibit A, attached and incorporated herein. This Agreement may be renewable at the end of each contract year by mutual Agreement of both parties for four additional one-year periods.
2. Board agrees that, for the term of this Agreement, it will render to TSA all reasonable information necessary to accomplish services set forth in Exhibit A. The Board shall provide all information including, yet not limited to, items set forth in Exhibit B, attached and incorporated herein. Transmission of all information from the Board to TSA shall be performed on a timely basis relative to services provided and service dates set forth in this Agreement.
3. Board agrees to remunerate TSA for such consulting and administration services at the per-employee rates and methods shown in Exhibit C, attached and herein incorporated by reference.
4. TSA shall act as an independent consultant and/or administrator and not as an agent or employee of the Board and TSA shall make no representation as an agent of employee of the Board. TSA shall furnish evidence of business liability and errors and omissions insurance in such limits of liability and written by an insurance company licensed in the state of Florida and acceptable to the School Board. TSA shall be responsible for all taxes as an independent consultant and/or administrator. TSA shall have no authority to bind the Board or incur other obligations on behalf of the Board.
5. TSA agrees to hold in confidence all employee information received from the Board in connection with this Agreement and necessary to complete the scope of services outlined in Exhibit A. TSA shall protect all information received from the Board from misuse, espionage, loss or theft. This information will not be transmitted or used for the purpose of solicitation in any form and upon request, all information held by TSA will be returned to the Board.
6. Board agrees to not circumvent TSA such as by dealing directly or indirectly with any previous unknown sources, contacts or any other entities made known by TSA, except as allowed by mutually agreed written waiver.
7. TSA warrants that it is under no obligation to any other entity that in any way conflicts with this Agreement and that it is free enter into this Agreement.
8. This Agreement and all extensions and modifications hereof and all questions relating to its validity and interpretation, performance and enforcement shall be governed by and construed in conformance with the laws of the State of Florida, unless preempted by federal law.
9. All parties agree that proper venue for any lawsuit arising out of this Agreement shall in Sarasota County, Florida.
10. TSA agrees that it will indemnify and hold harmless the Board, individual members of the Board, its representatives and employees, from any claim, demand or suit which may arise from, be connected with, or be made

due to the negligence or failure to satisfy the requirements of this Agreement. This indemnification shall include all related costs, including but not limited to, attorney's fees, consultant fees, fees for other professional service providers, as well as court costs, fines, penalties or other similar charges against the Board, provided that the Board notifies TSA, in writing, no later than 30 calendar days after receipt of such claim or demand. Notwithstanding the preceding, this indemnification shall not cover any claim or demand based on erroneous information provided by the Board, its employees or other representatives.

11. This Agreement may be modified, amended or terminated by either party upon 60 days written notice to the other party, provided that no such modification, amendment or termination shall affect the liability of either party incurred prior to such event. Any amendment or termination shall include, but not be limited to 60 days notice prior to the end of any fiscal year.

12. If any provision of this Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of the Agreement and the Agreement shall be construed as if such provisions had not been included.

13. TSA expressly agrees to cooperate with and provide assistance to with the Board in the event of any IRS audit of the retirement plans maintained by the Board.

14. This Agreement may be executed in any number of counterparts, each of which, including any reliable copies or facsimiles thereof, will be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

15. If any provision of this agreement shall be held or declared to be illegal, invalid or unenforceable, such illegal, invalid or unenforceable provisions shall not affect any other provision of this agreement, and the remainder of this agreement shall continue in full force and effect as though such provisions had not been contained in this agreement. If the scope of any provision in this agreement is found to be too broad to permit enforcement of such provision to its fullest extent, the parties consent to judicial modification of such provision and enforcement to the maximum extent permitted by law.

16. Whereas this agreement is reached as a result of the Seminole County Public School Board's request for proposals, #102989, Retirement Plan Compliance Services, and TSA's response thereto, the Board's request and TSA's response is incorporated by reference hereto.

We, the undersigned as duly authorized representatives, agree to all the terms and conditions stated above, and by our signatures, place this Agreement into full force and effect as of the date first above-written.

**SARASOTA DISTRICT SCHOOL BOARD**

**TSA CONSULTING GROUP, Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

## EXHIBIT A

In accordance with the Agreement between the Sarasota District School Board and TSA, the following services will be provided by TSA;

1. Maximum Allowable Contribution (MAC) calculations will be delivered to the Board at least twice annually for all employees eligible to participate in the employer's authorized 403(b) and 457 plans. These calculations shall include limits applicable to 403(b) and 457 plans under Sections 403(b)(2), 402(g) and 415 and 457 of the Internal Revenue Code. Such calculations shall be performed in accordance with accepted standards and subject to the prevailing Internal Revenue Codes and Regulations at that time. MAC's will be based on information obtained from the Board and/or the employee and any statement or guarantee of accuracy by TSA will be contingent on the accuracy of the information delivered by the Board and/or the employee.
2. TSA shall provide an annual review and audit of the previous year's contributions for all employees. TSA shall notify the Board of all non-compliant contributions and provide the necessary data to facilitate notification to employees affected and completion of correction procedures as required by current Revenue Procedures.
3. A master file will be maintained by TSA for use by the employer to reference all MAC calculations for employees during the term of this Agreement. The master file will be provided to the Board in electronic and hard copy format with the same frequency as MAC calculations are provided, unless otherwise agreed to in writing by both parties.
4. Employee handbooks will be delivered to the Board once annually in sufficient quantities for all eligible employees. The employee awareness and educational materials shall be generic in content regarding 403(b) and 457 requirements, and will also address the specific policies and procedures of the Board relative to all retirement programs maintained by the Board. Handbooks will be revised annually to facilitate changes in IRS rules or changes in the Boards policies and procedures.
5. Video presentations will be produced and distributed by TSA and delivered to the Board once annually in sufficient quantities for each major employee worksite. Video presentations shall be generic and topical in nature concerning the retirement plans maintained by the Board. Video presentations may include employer specific information and comments as mutually agreed upon as to content by the Board and TSA.
6. A basic compliance report on existing Board policies and procedures relative to the retirement plans maintained by the Board shall be provided by TSA. Additionally, TSA will assist the Board in reviewing vendor practices (to the extent such information is available) to determine appropriate compliance standards with regard to employee accounts. Upon request, a comprehensive report, reviewing and analyzing Board practices with respect to the legal requirements applicable to any or all programs, prepared by legal counsel specializing in retirement plans and employee benefits, is available at an additional charge to be mutually agreed upon. This report shall include a detailed analysis of policies and procedures including individual vendor information with regard to compliance.
7. TSA shall provide ongoing administrative support to the Board, including, but not limited to, the development of appropriate policies and/or procedures regarding all employee retirement programs. Such administrative support includes research and development of any new programs and/or vendors that may be regarded as beneficial to the Board and the employees of the Florida Virtual School.
8. TSA will act as the Administrator of the Board's 403(b) and 403(b)(7) and the 457(b) Deferred Compensation Plan. Services include:
  - Development and maintenance of Plan Document requirement and verification that each provider of investment products will operate compliantly under the Plan and IRS guidelines.
  - Development and communication of standardized transaction forms, processes and procedures with all authorized providers and participants.
  - Process transactions allowed under the Plan to include coordination and maintenance of all transaction data required by IRS regulation. Such transactions shall include:
    - Loans

- Hardship or Financial Emergency Withdrawals
- Transfers (Participant transfer of assets among Plan providers)
- Rollovers (Participant transfer of assets post separation)
- Normal Distributions
- Qualified Domestic Relations Orders

## **EXHIBIT B**

In accordance with the Agreement between TSA and Sarasota District School Board the following information and services will be provided by the Board to TSA;

1. All available data necessary to complete the services provided by TSA as outlined in Exhibit A. Such data shall include, yet not be limited to, Board policies and procedures regarding all qualified plans offered by the Board, participating vendor information, employee data pertinent to MAC calculations to the extent possible for current and prior years service, and all additional information deemed necessary to complete the scope of work as defined by the Agreement. Data required for MAC calculations shall be supplied electronically by the Board in a format mutually agreed upon by both parties to the Agreement.

2. Distribution of all employee and worksite materials on a timely basis. Materials to be distributed shall include, yet not be limited to, requests for additional employee information pertinent to the scope of this Agreement, employee MAC calculations including the retrieval of delivery receipts, employee handbooks and worksite videos.

3. All other appropriate, commonly accepted, efforts necessary to develop and maintain compliance with existing or amended Internal Revenue Codes regarding the retirement plans offered by the Board.

4. The Board shall require all providers of investment products and services to the retirement plans to cooperate with TSA by providing any information needed to complete the terms of this Agreement.

5. The Board shall instruct staff to cooperate fully with TSA regarding the compliance review and in obtaining all necessary information for TSA to complete the duties described in this Agreement. The Board realizes that any delay in providing data and information to TSA may impede completion of services as described in this Agreement.

## EXHIBIT C

BASIS OF REMUNERATION: Annual compensation for services provided by TSACG subject to the Agreement shall be invoiced on a per employee basis including an initial setup fee in the first year.

Standard Fees for all services listed in the **Compliance Edge® Program**:

1. Comprehensive Program - **The Compliance Edge®** (including transition plan)  
**Total Cost of basic services**

A. Set-up Fee – **Waived by TSA Consulting Group, Inc.**  
\$ .00 set up fee

B. Annual maintenance fee based on number of employees per year for specified scope of services and including maintaining employee data, contribution audit and calculation of MAC, new updated employee handbooks, worksite video updates, employer & vendor evaluations updates, and review and updates to employer sponsored retirement plans.

Contract Year 1 (10/1/2007 – 09/30/2008)      \$ **4.94** per employee

Contract Year 2 (10/1/2008 – 09/30/2009)      \$ **5.09** per employee

Contract Year 3 (10/1/2009 – 09/30/2010)      \$ **5.24** per employee

Contract Year 4 (10/1/2010 – 09/30/2011)      \$ **5.40** per employee

2. Administrative Services as per Exhibit 'B' Section 8.

A. Set-up Fee: Initial (one-time) Implementation/setup fee:  
\$ .00 fee **Waived by TSA Consulting Group, Inc.**

B Annual maintenance fee based on number of employees per year for administration of 403(b) and 457(b) Retirement Plans:

Contract Year 1 (10/1/2007 – 09/30/2008)      \$ **1.49** per employee

Contract Year 2 (10/1/2008 – 09/30/2009)      \$ **1.53** per employee

Contract Year 3 (10/1/2009 – 09/30/2010)      \$ **1.58** per employee

Contract Year 4 (10/1/2010 – 09/30/2011)      \$ **1.62** per employee

**Note: Rates quoted for Sections 1 and 2 are subject to a combined annual minimum fee of \$6,000.00.**

**The rates quoted above include a 3% increase each year. Contract renewals for years beyond 6/30/2011 will also include a 3% increase per year. Rates are based upon all eligible employees (wages reported on W-2).**

**All services may be billed monthly beginning November 1, 2007 upon mutual agreement of the Board and TSA but no less than annually at the equivalent rates shown above for each contract year and based upon the total employee count as of January 1 of the calendar year in which services are provided.**

**Fees described above are based on total number of employees for this employer. Rates for larger or smaller groups may vary according to current published rate schedules established by TSACG.**