

**BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508  
COUNTY OF COOK STATE OF ILLINOIS**

**403(b) AND 457(b) PLAN ADMINISTRATOR**

**TSA CONSULTING GROUP, INC.**

**(RENEWAL OPTION)**

**(RATIFICATION)**

**OFFICE OF HUMAN RESOURCES AND STAFF DEVELOPMENT, BENEFITS**

**THE CHANCELLOR RECOMMENDS:**

that the Board of Trustees authorizes the Chair to exercise the option to renew the agreement with TSA Consulting Group, Inc. to provide compliance administration services for the District's voluntary retirement programs for the period from November 7, 2012 through November 6, 2013, at a total cost not to exceed \$26,250.

**VENDOR:** TSA Consulting Group, Inc.  
15 Yacht Club Drive Northeast  
Fort Walton Beach, Florida 32548

**USER:** All Eligible Active Employees

**ORIGINAL TERM:**

The original term of this agreement commenced on November 7, 2008 and ended on November 6, 2011.

**FIRST RENEWAL TERM:**

The 1<sup>st</sup> renewal term of this agreement commenced on November 7, 2011 and ended on November 6, 2012.

**SECOND RENEWAL TERM:**

The 2<sup>nd</sup> renewal term of this agreement commenced on November 7, 2012 and shall end on November 7, 2013.

**SCOPE OF SERVICES:**

City Colleges of Chicago will continue to retain the services of TSA Consulting Group, Inc., to provide compliance administration services to the District for the voluntary retirement programs under Section 403(b) and 457(b) of the Internal Revenue Code (collectively, the "Plans"). There will be no increase in the monthly administrative service fee of \$2.50 per participating active employees for this period

**BENEFIT TO CITY COLLEGES OF CHICAGO:**

To be in compliance with the final regulations released by the Internal Revenue Service ("IRS") under Section 403(b) and 457(b) of the Internal Revenue Code, requires written documentation of the 403(b) and 457(b) tax-sheltered annuity plan offered to eligible employees of the City Colleges of Chicago as of January 1, 2009. The Board recognized that there is a need for Plan Administration and

Compliance services from an expert third party administrator for the 403(b) and 457(b) plan due to complex government regulation requirements that took effect on January 1, 2009.

**VENDOR SELECTION CRITERIA:**

Pursuant to Board Report 29067 adopted November 8, 2008 and Board Report 31218 adopted November 3, 2011, the Board approved an agreement with TSA Consulting Group to provide 403(b) and 457(b) administration and compliance services for the City Colleges of Chicago. Competitive bids were obtained from four of the largest independent third party 403(b) and 457(b) administrators – TSA Consulting Group, Inc., CPI Qualified Plan Consultants, Gatekeeper Administration & Consulting, LLC and the Omni Group. The submitted proposals were reviewed, evaluated and ranked by a committee that included Human Resources and the Office of Information Technology staff. The committee recommended acceptance of the proposal from TSA Consulting Group, Inc. to provide 403(b) and 457(b) administration and compliance services for the City Colleges of Chicago.

**MBE/WBE COMPLIANCE:**

The Office of M/WBE Contract Compliance has reviewed the above referenced contract renewal opportunity and determined that TSA Consulting Group, Inc. has no apparent opportunity to subcontract services, and therefore, recommends granting a waiver to be in compliance with the Board Approved Participation Plan.

**GENERAL CONDITIONS:**

Inspector General- It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General's authority under Article 2, Section 2.7.4(b) of the Board Bylaws.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board's Ethics Policy adopted January 7, 1993, and as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

**FINANCIAL:**

**Total FY13-FY14:** \$26,250

**Charge to:** Office of Human Resource and Staff Development, Benefits

**Source of Funds:** Education Fund

**Respectfully submitted,**

**Cheryl L. Hyman**  
**Chancellor**

**December 7, 2012 - Office of Human Resources and Staff Development – Benefits Division**