



Contract Committee Review Request
MUST BE COMPLETED IN FULL

Date: January 31, 2024

Contract/Agreement Vendor: **Pension Solutions/Mark Lester**
Name of Vendor & Contact Person
mlester@pension-solutions.net
Vendor Email Address
BAPS 547(b) Social Security 3121 Alternative Plan - Proposal to Terminate Agreement
Describe Contract (Technology, program, consultant-prof Development, etc.)
Please use Summary below to fully explain the contract purchase, any titles, and details for the Board of Education to review.
District Employees
Reason/Audience to benefit
February 12, 2024 **\$ 18,280.00**
BOE Date Amount of agreement

Person Submitting Contract/Agreement for Review: **Karen Schwab/Andrea Jackson** **HR/ESC**

PLEASE SEND THROUGH APPROPRIATE APPROVAL ROUTING BEFORE SENDING TO BOARD CLERK

Principal &/or Director or Administrator: **Karen Schwab**

Does this Contract/Agreement utilize technology? YES/NO
If yes, Technology Admin: _____

Cabinet Team Member: **[Signature]**

Funding Source: **General** **11.180.2572.342.000.0000.000.050**
Fund/Project OCAS Coding

☒ **Consent**
☐ **Action**
Accept and approve the Service Agreement for Professional Service Of Dissolving The Social Security Alternative Plan between Broken Arrow Public Schools and Mid-America effective May 31, 2024. Cost to the District \$18,280.00 and will be paid from General Funds.
Summary This area must be complete with full explanation of contract

The Contract/Agreement should be received at least 2 weeks prior to a Board Meeting to ensure placement on the Agenda. The Contract Committee meets most Tuesdays at 8:00a.m. All Contracts/Agreements, regardless the amount, must be first approved by the Contract Committee and then presented to the Board of Education for approval and signature. The item will be placed on Electronic School Board for the board agenda by Janet Brown. By following this process, the liability of entering into an agreement is placed with the district rather than an individual.

LIMITED SERVICE AGREEMENT

THIS LIMITED SERVICE AGREEMENT (the “Agreement”) is entered into on February 13, 2024 (“Effective Date”) by and between Pension Solutions, Inc., an Oklahoma corporation (“PSI”) and Independent School District Number Three of Tulsa County, Oklahoma d/b/a Broken Arrow Public Schools, an independent school district operating in the state of Oklahoma in accordance with the Oklahoma School Code, 70 O.S. § 1-101 *et. seq.* (“Plan Sponsor”).

The Plan Sponsor maintains the Broken Arrow Public Schools Premier Plan, a 457(b) alternative social security plan in accordance with section 3121(b)(7)(F) of the United States Tax Code (the “Plan”), also commonly referred to as an “eligible deferred compensation plan.” In accordance with the provisions of the Plan and applicable law, the Plan Sponsor has elected to terminate the Plan effective May 31, 2024.

The Plan Sponsor desires to engage PSI to perform the limited administrative services listed below in TABLE I. PSI agrees to perform the limited administrative services listed in TABLE I according to the terms of this Agreement. Congruently, the Plan Sponsor agrees to pay the costs and fees associated with the limited administrative services according to the terms herein, including fees incurred and billed at the rates listed in TABLE II.

TABLE I – LIMITED ADMINISTRATIVE SERVICES		
ITEM NO.	DESCRIPTION OF LIMITED ADMINISTRATIVE SERVICES	COSTS/FEES
1.	a. Prepare notice of Plan termination and termination of administrative services provided by MidAmerica Administrative & Retirement Solutions, Inc. (“MidAmerica”). b. Provide notice to Custodial Recordkeeper, American Fidelity. c. Prepare Information Sharing Agreement with American Fidelity, including, if available, direct rollover options for participants to a “safe harbor IRA.”	Waived
2.	Restate Plan to include cumulative statutory provisions for § 457(b) plans, including the SECURE 2.0 Act, as applicable.	\$250.00
3.	Prepare and deliver participant notices via United States Postal Service First Class mail regarding Plan restatement, Plan termination, applicable fees, liquidation requirements of all participant accounts, and Notice of Required Action by participant. (Number of participants 3,456 * \$5.00 = \$17,280.00)	\$17,280.00
4.	Liquidate Plan according to notice, approve direct distributions, and coordinate rollovers for non-responsive participants to American Fidelity “safe harbor IRA” or other financial institutions. (Liquidation costs are assessed in an amount not to exceed the lesser of \$10.00 or a participant’s cumulative earnings) (Number of participants 3,456 * \$10.00 = \$34,560.00 maximum)	\$0.00

TABLE I - Cont'd		
5.	Prepare an electronic register regarding the disposition of participant accounts to be delivered to the Plan Sponsor following the closing of the services contemplated by this Agreement.	\$750.00
Total Estimated Hours Compliance/Legal Provided		10 hours
Total Estimated Fees to be Paid by Plan Sponsor		\$18,280.00
Total		<u>\$18,280.00</u>

As part of its services, PSI shall provide not less than ten (10) hours of compliance/legal work for the purpose of discharging its obligation to perform the limited services listed in TABLE I. However, the costs and fees listed herein may not reflect the final charges or additional amounts that may be due upon conclusion of the engagement or amounts that may be due to plan participants. Additional hours required to perform the limited administrative services listed in TABLE I will be billed at the hourly rates listed in TABLE II.

TABLE II - FEE SCHEDULE AND HOURLY RATES
Pension Solutions' administrative and professional hourly rate - \$150.00 - \$255.00/hr. Pension Solutions' administrative support services hourly rate - \$85.00/hr. Additional preparation and mailing of participant correspondence - \$4.00 per participant. Delivery fees for private overnight courier - \$30.00 per delivery.

The Plan Sponsor will be notified if the performance of services is expected to exceed the estimated hours provided in TABLE I and the Plan Sponsor shall authorize the additional billable hours prior to the continued performance of the limited administrative services contemplated by this Agreement.

Duties and Representations of the Plan Sponsor

- a.) No later than thirty (30) days from the date first written above, the Plan Sponsor shall sign, initial, and date this Agreement and provide PSI a signed electronic or hardcopy. If a signed copy of this Agreement and payment, as defined below, are not received by PSI by the close of business no later than thirty (30) days from the date first written above, this Agreement shall be void and PSI is under no obligation to perform any services stated herein, professional, administrative, ancillary, or otherwise.
- b.) Payment. Plan Sponsor shall remit EIGHTEEN THOUSAND TWO HUNDRED EIGHTY DOLLARS AND ZERO CENTS (\$18,280.00) to PSI upon the execution of this Agreement and at the conclusion of services rendered. Payment by check is to be delivered by the United States Postal Service or private delivery to: Pension Solutions, Inc., 9116 N. Kelley Ave., Oklahoma City, OK 73131.
- c.) The Plan Sponsor shall execute all forms as may be necessary to properly discharge the administrative services listed herein and provide all information required as contemplated by this Agreement and requested by PSI within ten (10) business days of PSI's request(s).

- d.) The Plan Sponsor shall execute such forms and provide such authorizations as necessary to ensure American Fidelity or other custodial recordkeepers provide any and all information to PSI as PSI deems necessary to discharge its obligations contained in this Agreement.
- e.) The Plan Sponsor shall execute such forms and provide such authorizations as necessary to ensure MidAmerica or other Plan Administrators provide any and all information to PSI as PSI deems necessary to discharge its obligations contained in this Agreement.
- f.) The Plan Sponsor agrees that PSI's performance of the limited services listed in TABLE I may be contingent upon the following:
 - i. Any exclusive right MidAmerica may have acquired through various agreements to service as the exclusive agent/Plan Administrator for the Plan Sponsor regarding the Plan, including the opportunity to compete with any other entity or persons to provide additional services in furtherance of the Plan.
 - ii. American Fidelity's and/or other custodial recordkeeper's willingness to take direction from PSI regarding the administration and termination of the Plan, including directions for the liquidation of Plan assets and direct payment to PSI of the nominal fees listed in TABLE I, Item 4.
- g.) The Plan Sponsor represents that all information provided to PSI shall be complete and accurate to the best of its knowledge. The Plan Sponsor shall hold PSI harmless for any and all information the Plan Sponsor fails to disclose for any reason whatsoever and acknowledges that this Agreement is limited to the administrative services listed herein.
- h.) The Plan Sponsor acknowledges that if any federal, state, local, or administrative court determines inappropriate nominal fees were assessed against participants' Plan assets, any direct or indirect costs including, but not limited to, legal fees and related costs, monetary awards and judgments, restitution costs, and/or Plan administrative costs shall be the sole responsibility of the Plan Sponsor and the Plan Sponsor shall hold PSI harmless for such costs and/or damages.

Duties and Representations of PSI

- a.) PSI will perform the limited administrative services listed in TABLE I in accordance with this Agreement. It is anticipated that PSI will complete the limited administrative services by June 30, 2024, except for events or acts of God; war(s); pandemics; declarations of martial law; electromagnetic pulses/transient electromagnetic disturbances derived from or caused by a natural phenomenon/disaster, artificial intelligence, human actions (deliberate, negligent, or passive), or any other event; or the failure of the Plan Sponsor or its assignees/agents, including, but not limited to, the Plan Sponsor's accountants, legal representatives, or other persons or entities engaged or representing the Plan Sponsor.
- b.) As applicable, PSI shall prepare and deliver, with participant notices, required plan participant fee disclosures due to the payment of fees and costs associated with the termination and liquidation of the Plan, if any.
- c.) PSI is not responsible for any audit(s), report(s) or opinions issued by a governing jurisdiction; nor, is PSI responsible for any work to be performed by other third-party service providers regarding the Plan, the prior Plan document(s)/amendment(s), and/or Plan assets.

d.) PSI is not responsible for any work to be performed by any custodial recordkeeper and/or Plan Administrator regarding the termination of the Plan and/or the liquidation of the Plan assets held by American Fidelity or other custodial recordkeeper.

e.) PSI's representation regarding this Agreement is limited to the administrative services contained TABLE I.

General Provisions

a.) This Agreement does not amend or modify any other oral or written agreement between the parties. If there is a conflict between this Agreement and any other agreement entered into by the parties, unless specifically stated otherwise, the terms of such agreement(s) shall not control the rights and obligations of the parties under this Agreement.

b.) If any one or more of the provisions of this Agreement shall, for any reason, be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be enforced as if such illegal or invalid provision had not been contained herein. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same Agreement.

c.) This Agreement shall be governed by and construed according to the laws of the State of Oklahoma. The exclusive forum for any dispute between PSI and the Plan Sponsor that arises out of this Agreement shall be a court of competent jurisdiction in Oklahoma County, Oklahoma.


d.) Any and all notices required or permitted under this Agreement shall be in writing and shall be sufficient in all respects if (i) delivered personally, (ii) mailed by registered or certified mail, return receipt requested and postage prepaid, or (iii) sent via a nationally recognized overnight courier service to the addresses set forth under the signatures of the parties or to such other address as either party may designate by notice in writing to the other. This provision does not prohibit the parties from requesting, sharing, or providing information related to the limited administrative services listed in TABLE I.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have caused this Agreement to be executed as of the date first written above.

Plan Sponsor

PSI

By: _____
Steve Allen
Board of Education President
701 S. Main Street.
Broken Arrow, OK 74012-5528

By:  _____
Geoff Stallings
President/CEO
9116 N. Kelley Ave
Oklahoma City, OK 73131-2418