PALO VERDE COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
AGENDA ITEM REQUEST

Meeting Date: 2/9/16

☐	Consent
☒	Action
☐	Information

AREA: Business

RESOLUTION TITLE: Other Post Employment Benefit (OPEB) Actuarial Study Contract

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BACKGROUND:

The Governmental Accounting Standards Board (GASB) issued Accounting Standards 43 and 45 in 2004 to require government entities to report the liabilities for current and future retirees of the district. Due to the size of our district, the standard states that we are required to complete an actuarial study every three years rather than annually or biennially. The last actuarial report was accepted May 8, 2013.

FISCAL IMPLICATIONS:

$3.900 General Funds

RECOMMENDATION:

It is recommended that the contract be approved.

Administrator Initiating Item:	College Council/Full Admin Review Date:
Russi Egan	

CONSULTING SERVICES AGREEMENT

This Agreement is entered into effective the 27th day of January, 2016 by and between Total Compensation Systems, Inc. ("Consultant"), a California corporation with principal offices located at 5655 Lindero Canyon Road, Suite 223, Westlake Village, California, 91362 and Palo Verde Community College District ("Customer").

The following shall govern the provision of consulting services by Consultant to Customer.

1. Consulting Services. Consultant shall provide the consulting services described on Schedule 1 attached hereto.

2. Compensation to Consultant. Customer shall pay Consultant for the consulting services described on Schedule 1 attached hereto the compensation set forth on Schedule 2 attached hereto.

3. Term and Termination. (a) Term. This Agreement shall commence on the date first written above and shall continue in effect until August 31, 2016, or until all consulting services described on Schedule 1 have been performed, whichever occurs first, unless sooner terminated in accordance with the provisions of this Agreement. (b) Termination Without Cause. This agreement may be terminated at any time by either party upon sixty (60) days prior written notice to the other party. (c) Termination With Cause. Either party shall have the right to terminate this Agreement upon the failure of either party to observe any of the covenants and agreements required to be observed by it under this Agreement, and such failure continues for a period of thirty (30) days after written notice thereof. (d) Rights and Obligations after Termination. Termination of this agreement shall not relieve either party of any rights or obligations arising out of the Agreement prior to termination, with the exception that the amount of the final payment that shall be made by Customer shall be based solely upon the percentage of work that was completed by Consultant.

4. Customer Will Provide Information. Customer shall provide Consultant with the information necessary for Consultant to provide the consulting services described on Schedule 1 attached hereto.

5. Authorization to Acquire Information. Customer hereby authorizes Consultant to acquire the necessary information reasonably required by Consultant to provide the consulting services described on Schedule 1 attached hereto from any agency, agencies, source or sources.

6. Customer's Right to Provide Information. Customer represents and warrants to Consultant that it has the right to provide the information that will be given by Customer to Consultant, or which will be acquired by Consultant pursuant to paragraphs 4 and 5 above.

7. Limitation on Services. Customer understands that Customer retains sole authority and responsibility for the operation and design of all Customer's employee benefit plans.

8. Ownership of Systems and Materials. All systems, programs, operating instructions, forms and other documentation prepared by or for Consultant shall be and remain the property of Consultant. All data source documents provided by Customer shall remain the property of Customer.

9. Indemnification. (a) By Customer. Customer hereby agrees to defend and indemnify Consultant and hold Consultant harmless against any claims, injury, costs or damages (including actual attorneys' fees incurred) resulting from Customer's gross negligence or willful misconduct. (b) By Consultant. Consultant hereby agrees to defend and indemnify Customer and hold Customer

harmless against any claims, injury, costs or damages (including actual attorneys' fees incurred) resulting from Consultant's gross negligence or willful misconduct.

10. General.

a. Relationship of the Parties. The relationship between Consultant and Customer established by this Agreement is that of independent contractors. Consultant and Customer shall each conduct its respective business at its own initiative, responsibility, and expense, and shall have no authority to incur any obligations on behalf of the other.

b. Force Majeure. No party shall have liability for damages or non-performance under this Agreement due to fire, explosion, strikes or labor disputes, water, acts of God, war, civil disturbances, acts of civil or military authorities or the public enemy, transportation, facilities, labor, fuel or energy shortages, or other causes beyond that party's control.

c. Entire Agreement. This Agreement and the Schedules attached hereto contain the entire agreement between the parties and supersedes all previous agreements and proposals, oral or written, and all negotiations, conversations, or discussions between the parties related to the subject matter of this Agreement. This Agreement shall not be deemed or construed to be modified, amended, rescinded, canceled or waived in whole or in part, except by written amendment signed by both of the parties hereto.

11. Confidentiality. Consultant recognizes that its work will bring it into close contact with confidential information of Customer, including personal information about employees of Customer. Consultant agrees not to disclose anything that is the confidential information of Customer, or that is proprietary to Customer, including its software, its legacy applications, and its databases, to any third party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as set forth below.

"CONSULTANT" TOTAL COMPENSATION SYSTEMS, INC.	"CUSTOMER" PALO VERDE COMMUNITY COLLEGE DISTRICT
Signed: Geoffrey Kischuk	Signed:
By: Geoffrey L. Kischuk	By:
Title: President	Title:
Date: 01/27/2016	Date:

SCHEDULE 1

For the purposes of this Agreement, "consulting services" shall include the following services provided by Consultant to Customer:

A consulting report including all actuarial information necessary for Customer to comply with the requirements of current and future GASB accounting standards related to retiree health benefits. Study results will be separated between three employee classifications. Consultant will provide as many copies of the final report as Customer shall reasonably request.

Services do not include Consultant's attendance at any meetings, unless requested at the fee shown in Schedule 2.

SCHEDULE 2

Customer shall pay Consultant for the retiree health valuation report a total of $3,900. One-half, or $1,950 shall be due within 30 days of the commencement of work by Consultant. One-half, or $1,950 shall be due within 30 days of the delivery by Consultant to Customer of the draft consulting report (or within 30 days of contract termination, if earlier).

In addition to the above fees, Customer agrees to pay Consultant an all-inclusive fee of $1,600 per meeting to attend meetings related to the consulting services. Customer shall pay such meeting fees within 30 days of the meeting.