

**BOARD OF DIRECTORS
EL CAMINO REAL ALLIANCE**

**RESOLUTION AUTHORIZING PARTICIPATION IN
SISC FLEX PLAN**

The Board of Directors (“Board”) of El Camino Real Alliance, a tax exempt, California nonprofit public benefit corporation operating a public charter school and dba as El Camino Real Charter High School (“Qualified Employer” or “ECRCHS”), does hereby adopt the following resolution regarding participation in the SISC Flex Plan:

WHEREAS, it is determined to be in the best interest of ECRCHS to participate in the SISC Flex Plan (the “Plan”) and provide Eligible Employees with a program that allows for certain medical and dependent care expenses to be paid with pre-tax dollars; and

WHEREAS, the Self-Insured Schools of California (“SISC”), a Public Agency, has made such a plan available to the Qualified Employer and its Eligible Employees, and is intended to qualify as a “cafeteria Plan” within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended and shall be construed in a manner consistent with that Section. The tax implications of the Plan are subject to rulings, regulations and the application of the tax laws of the state and federal government; and

WHEREAS the Plan, consists of a Benefit Cost Plan (commonly referred to as the “premium only portion” of a cafeteria plan or “POP”), a Qualified Health Care Expense Account, and a Qualified Dependent Care Expense Account; and

WHEREAS, the Plan provides that a Qualified Employer may, with the consent of SISC, adopt the Plan and participate therein by a properly executed document evidencing said intent of said Qualified Employer.

NOW, THEREFORE, BE IT RESOLVED:

The Board of the Qualified Employer does hereby adopt the SISC Flex Plan effective the first day of January, 2021, and the Qualified Employer hereby consents to such adoption and participation upon the following terms:

1. The categories of employees that are eligible to participate in the Benefit Cost Plan, Qualified Health Care Expense Account, and/or Qualified Dependent Care Expense Account shall be designated by a Qualified Employer on the appendix attached to this Resolution;

2. When an organization ceases to be a member of the SISC III Health Benefits program, that organization's coverage under the SISC Flex Plan terminates. Should this termination occur in the middle of the SISC Flex Plan Year, the terminating organization is required to pay monthly administration fees for each of the SISC Flex Health Care and Dependent Care Participants until the end of the plan year. These administrative fees are specified in the SISC Flex Plan Document, Appendix A, Service Agreement;
3. It is the intention of the parties that the Qualified Employer shall be a party to the Plan and treated in all respects as the Qualified Employer thereunder, with its Eligible Employees to be considered as the Employees and Participants, as the case may be, thereunder;
4. However, the participation of the Qualified Employer in the Plan shall in no way diminish, augment, modify, or in any way affect the rights and duties of the Qualified Employer, its Employees, or Participants, under the Plan;
5. The execution of this Agreement by this Qualified Employer shall be construed as the adoption of the Plan in every respect, or any part thereof as specified in SISC Flex Plan Document, as if said Plan had this date been executed by the Qualified Employer, except as otherwise expressly provided herein or in any amendment that may subsequently be adopted hereto;
6. All actions required by the Plan to be taken by SISC shall be effective with respect to the Qualified Employer if taken by SISC, and the Qualified Employer hereby designates SISC as its agent for such purposes. To the extent SISC designates a person or entity to perform specific administrative functions under the Plan, actions taken by such designee shall be treated as actions taken by SISC;
7. By participating in the Plan, each Qualified Employer understands and agrees that in the event the Internal Revenue Service or any state or political subdivision thereof should ever assess or impose any taxes, charges and/or penalties upon any benefits received under the Plan, the recipient of the benefit will be responsible for those amounts, without contribution from SISC;
8. The periods for filing of Salary Reduction Agreement election forms shall be as established by the Qualified Employer as long as they are in accordance with SISC requirements and the Internal Revenue Code;
9. If a Participant fails to claim any amounts in the Qualified Health Care or Dependent Care Expense account by the time allowed in the SISC Flex Plan, such amounts shall not be carried over to reimburse the Participant for expenses incurred during a subsequent Plan Year and rights to such amounts shall be forfeited by the Participant;
10. If a Qualified Employer maintains any Flex plans in addition to the SISC Flex Plan, the Qualified Employer is responsible for ensuring that the contribution amounts, when

aggregated between the existing Flex plans, are in compliance with maximums specified under IRS Code Sections 125 and 129;

11. All forfeitures under this Plan shall be used first to offset any losses experienced by the Plan during the Plan Year as a result of making reimbursements with respect to any Participant in excess of the contributions made by such Participant via salary reductions. Second, forfeitures shall be used to reduce the cost of administering this Plan.

The following Resolution was duly passed and adopted this _____ day of _____, 20_____ by the following vote:

AYES:	_____	NOES:	_____
ABSENT:	_____	ABSTAIN:	_____

By: _____
Dr. Jeff Davis, Board Secretary

APPENDIX TO BOARD RESOLUTION

QUALIFIED EMPLOYER: El Camino Real Alliance

DESIGNATION OF EMPLOYEES ELIGIBLE TO PARTICIPATE IN THE SISC FLEX PLAN

The employees that are eligible to participate in the SISC Flex Plan are (check all that apply):

Certificated employees (including management)

Classified employees (including management)

Part time employees. For this purpose, a part time employee shall mean an employee that works less than 20 hours per week (not considered a 50% employee).