Date received:_____

PALO VERDE COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES
AGENDA ITEM REQUEST

☐	Consent
☒	Action
☐	Information
☐	Discussion/Presentation

RESOLUTION TITLE:

BOARD MEETING DATE:

BACKGROUND:

First Capitol Consulting firm will provide services to Palo Verde College District to be in compliance with the ACA (Affordable Care Act) mandated reporting and the distribution and/or filling accurately data to the IRS (Internal Revenue Services) to avoid any legal penalties.

FISCAL IMPLICATIONS:

The cost will be $5,000 for the 2015 reporting year.

BUDGET PAID FROM:

11-HRM-0-6730-0000-5620

RECOMMENDATION

Recommended approval from the Board of Trustees.

Administrator Initiating Item:	College Council/Full Admin Review Date: Cabinet 02/01/2016

First Capitol Consulting, Inc.

Assisting Government Serve the People[sm]

This Agreement, along with the attached General Terms and Conditions, sets forth the terms of our engagement and the scope of our professional services with respect to First Capitol Consulting Inc.'s ("FCC's") ACA Cost Minimization[sm] services related to the Patient Protection and Affordable Care Act ("ACA") for **Palo Verde Community College District** ("Client").

FCC's ACA Cost Minimization[sm] team offers the following comprehensive list of services (* *refers to Optional Services*):

SERVICES	ACA Basic Plus
A. Common Ownership: Identify employer aggregated groups based on analysis of Client's corporate ownership and affiliates.	
B. Applicable Large Employer (ALE) Status: Identify ALE status based on analysis of Client's workforce.	
C. Section 4980H Excise Taxes: Calculate potential Section 4980H excise taxes.	
D. Waiting Period and Minimum Value Confirmation: Review Client's policies to confirm compliance with 90 day maximum waiting period and Client's employer sponsored plan(s) summary of benefits and coverage to confirm minimum value.	
E. IRS 6055/6056 Reporting – Full Time Employees: Establish measurement and stability periods for Client's variable/part time and seasonal workforce; determine full time status of each employee in Client's workforce; prepare Monthly Reporting, which tracks full time status and affordability based on applicable safe-harbors and/or employee wages of Client's Workforce to populate 1094/1095 Schedules.	
F. IRS 6055/6056 Reporting – Offer of Coverage: Prepare Monthly Reporting, which identifies new employees who become eligible for an offer of coverage and timing of required notice of offer to populate 1094/1095 Schedules.	
G. IRS 6055/6056 Reporting – Other Information: Analyze Client provided data to gather remainder of information for 1094/1095 Schedules (exclusive of Services E and F), including Certifications of Eligibility, Offer of Coverage Codes, Section 4980H Safe Harbor Codes, Lowest Cost Monthly Premium for Self Only Minimum Value Coverage, and Enrolled Data for Self Insured Client.	x
H. Management of Payroll Data Migration: Fully manage payroll data migration on a monthly basis for preparing 1094/1095 Schedules.	
I. IRS 6055/6056 Reporting – Forms Preparation: Prepare IRS 1094/1095 Schedules for 1095 distribution and filing with IRS.	x
J. 1095 Distribution: Distribute 1095 Schedules (disclosures) by U.S. mail.	x*
K. PCORI and TRP Fees: Calculate PCORI fees and Transitional Reinsurance Program fees, and prepare 720 Schedule (PCORI).	
L. Exchange Appeals: Establish protocol for prompt receipt of Exchange Section 4980H penalty notices; and respond to Exchange Notices during 90 day window.	
M. IRS ACA Audit Representation: Provide representation in an ACA reporting audit initiated by IRS.	

Based on the foregoing list of Services, Client seeks the ACA Basic Plus package, which consists of Services G and I with Optional Service J.

Term

This Agreement will remain in effect for an initial term consisting of the period from the date of this Agreement until the date on which the last deliverable Service for the reporting year is completed by FCC ("Initial Term"). This Agreement will continue in effect for successive reporting years ("Additional Term") unless either party provides written notice of termination of no less than 30 days prior to June 1st of the Additional Term.

(Initial)

Fees

Each of the Packages requires Client to furnish complete and accurate data. If FCC's review of any of the Client data identifies any apparent inaccuracies or incomplete information, FCC will so inform the Client and will not prepare any applicable forms for distribution and/or filing with the IRS until after such time as Client provides correct/complete information.

[initial]

ACA Basic Plus: This package charges (i) a fee of $25 per 1094/1095 form for Services G and I subject to an overall minimum fee of $5,000 for each reporting year and (ii) (____ [initial]) *Optional Service J* at a fee of $4 per form.

This package has the following Client Requirements:

(1) Client is required to furnish to FCC client data ("Client Data") that is complete and accurate. If FCC's review of Client Data identifies any apparent inaccuracies or incomplete information therein that is necessary for inclusion into the applicable IRS Schedules, FCC will so inform the Client and will not prepare any such IRS schedules for distribution and/or filing with the IRS until after such time as Client provides to FCC complete and accurate Client Data. (2) Client is required to (a) timely secure a 30 day extension from the IRS for 1095 Schedule distribution and (b) timely secure a first 30 day extension from the IRS for 1094/1095 Schedules filing and timely seek a second 30 day extension from the IRS for such filing if requested by FCC. (3) Client is required to furnish complete and accurate Client Data in strict compliance with the templates provided by FCC (as necessary to comply with guidelines for electronic filing with the IRS) pursuant to the following timetable for the 2015 reporting year: (a) no later than February 12, 2016 for the months of January through December of 2015

Upon engagement, Client will be initially invoiced, on the first day of the following month, a nonrefundable portion of the fee corresponding to the greater of $2,500 or $10 per W-2 issued for the year prior to the reporting year ("Initial Fee"), with the remainder of the fee to be invoiced upon completion of services. Such Initial Fee corresponds to the work FCC performed for the initial set up for the Client.

Should invoices not be paid within 30 days from the date of each such invoice, FCC will charge an additional 1.5% of such outstanding invoice for each 30 day period that elapses once payment is due.

The terms and conditions set forth in this Agreement (including the attached General Terms and Conditions to the extent that such Terms and Conditions are not contrary to this Agreement) are accepted and affirmed.

By (Signature): _____ Date: 2-1-16

Name (Print): Cecilia Garcia Title: Chief Human Resources Officer

EIN\TIN: 33-0833195