

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

RESOLUTION NO. 07-1112

DELEGATION OF AUTHORITY TO WORK WITH THE AFFECTED EMPLOYEE GROUPS TO IMPLEMENT AND ESTABLISH THE 403(B) SPECIAL PAY PLAN THROUGH ENVOY PLAN SERVICES, INC. FOR EMPLOYER/EMPLOYEE SAVINGS

WHEREAS, in an effort to provide cost savings for both the Chabot-Las Positas Community College District and affected employees, the Board of Trustees of the Chabot-Las Positas Community College District delegate to the Chancellor or Designee the authority to work with the affected employee groups to implement and establish the 403(b) Special Pay Plan through Envoy Plan Services, Inc. for employer/employee savings;

WHEREAS, employees separating from service with the Chabot-Las Positas Community College District are paid the vacation hours accrued and not used at the time of retirement or resignation; and

WHEREAS, such payments are generally subject to Social Security payroll taxes and Federal and State income taxes at the supplemental rate; and

WHEREAS, in lieu of taxed vacation payments, a deposit is made into an IRC Section 403(b) deferred compensation plan known as the Special Pay Plan as an employer contribution so that payroll taxes are not applied; and

WHEREAS, employees that separate from service and are the age of 55 or older in the year of separation, may later withdraw these funds from the Special Pay Plan without incurring IRS excise tax penalties; and

WHEREAS, the Special Pay Plan will become effective upon unit concurrence, Chancellor or Designee approval, and Envoy Plan acceptance.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of the Chabot-Las Positas Community College District hereby approves the delegation of authority to the Chancellor or Designee, to work with the affected employee groups to implement and establish the 403(b) Special Pay Plan through Envoy Plan Services, Inc.; with plan administration provided by MidAmerica Administrative and Retirement Plan Solutions, Inc. for employer/employee savings.

Resolution No. 07-1112
May 15, 2012
Page 2

PASSED AND ADOPTED by the following roll call vote this 15th day of May 2012 by the Governing Board of Chabot-Las Positas Community College District of Alameda County, State of California.

AYES:

NOES:

ABSENT:

ABSTENTIONS:

I, Secretary of the Board of Trustees of the Chabot-Las Positas Community College District, certify that the foregoing is a full, true, and correct copy of a resolution adopted by said Board at a regular meeting thereof held at a regular public place of meeting and the resolution is on file in the office of said Board.

Date

Secretary of the Board of Trustees of the
Chabot-Las Positas Community College District,
State of California, County of Alameda