

Central Unified
4605 N. Polk Avenue
Fresno CA 93722

(559) 274-4700

FAX: ()

cc: Tatum Tate
cc: Anita Lopez

Purchase Order No.

The number below MUST appear
on all invoices, pkgs., etc.

182321

Order Date: 09/21/2017

Invoice To:

CENTRAL UNIFIED SCHOOL DISTRICT
ACCOUNTS PAYABLE (559-274-4700)
4605 N POLK
FRESNO CA 93722-5334

Ship Prepaid To:

7400 - CENTRAL USD HUMAN RESOURC
A. MEZA 559-274-4700x63143
5652 W. GETTYSBURG
FRESNO CA 93722-0000

TO:

VE# 5010 FAX# () - Phone# () -

DIGITAL SCHOOLS OF CALIFORNIA
3 QUAIL RUN CIRCLE #102
SALINAS CA 93907

Remit To:

DIGITAL SCHOOLS OF CALIFORNIA
27764 VOLO VILLAGE RD
SUITE A
VOLO IL 60073-

Quantity Ordered	Unit of Measure	Description of Articles or Service	Unit Price	Total Cost
1	Othr	HR - ACA Reporting compliance charge - contract expires 03/31/18	\$0.00	\$0.00
1,600	Each	Forms filed by District	\$5.00	\$8,000.00
1	Each	Returning User Fee	\$995.00	\$995.00
1	Each	Contract attached	\$0.00	\$0.00
<p>"ESTIMATE" PURCHASE ORDER - PO VALID UNTIL 6/30/18 ***RECEIVER REQUIRED*** NOTE: VENDOR MUST CHECK-IN AT MAIN OFFICE **FREIGHT DELIVERIES BY APPT ONLY** DELIVERIES NOT SHIPPED TO "SHIP PREPAID" ADDRESS ABOVE WILL BE REFUSED.</p>				
			Sub Total:	\$8,995.00
			Discount:	\$0.00
			Tax:	\$0.00
			P.O. Total:	\$8,995.00

Requested By:

A. Meza

Authorized By:

tt

Requisition #:

182473

Fu---Re----Y-Gl---Fn---Ob-----Si--RP---Mg
0100-00000-0-0000-7400-580000-000-0502-7400

Amount
\$8,995.00

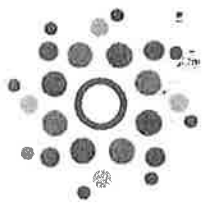
No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the D.I.R. pursuant to Labor Code section 1725.5. No contractor or subcontractor may be awarded a contract for public work on a public works project awarded on or after April 1, 2015 unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

1. If unable to fill order or invoice exactly in accordance with description, unit and price hereon, do not ship. Advise us.
2. If price is omitted on order it is agreed that your price will be the lowest prevailing market price.
3. Orders not received on date specified may be cancelled by us.
4. Goods subject to our inspection on arrival.
5. There must be a separate invoice for each purchase order.
6. On orders F.O.B. Shipping Point prepay shipping charges, add to invoice, and attach paid freight bill as evidence of prepayment charges.
7. All materials, supplies and equipment must comply with requirements of the California Occupational Safety and Health Act and all electrical equipment must comply with applicable safety requirements.

Approved

SEP 25 2017



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CONTRACTUAL ADDENDUM: ACA Reporting Compliance

IRS Forms 1094-C and 1095-C Compliance

This Contractual Addendum (the "Addendum") is entered into between CENTRAL UNIFIED ("District") and Digital Schools, L.P. ("Digital Schools"), for the 2017 reporting period for IRS Forms 1094-C and 1095-C. This Addendum supplements the current Master Services and Subscription Agreement ("the Master Services Agreement") in place between Digital Schools and the District, and is governed by the terms and conditions of that agreement; however, to the extent that any term of this Addendum conflicts with the Master Services Agreement (e.g., duration), the terms of the Addendum will control. Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Master Services Agreement.

WHEREAS the District and Digital Schools agree that additional functionality is required to give the District the tools to meet its ACA Reporting Compliance obligations; and

WHEREAS Digital Schools has joined with American Fidelity Administrative Services ("AFAS") to provide ACA Reporting Compliance and regulatory change information under the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree that the existing Master Services Agreement be amended or supplemented as follows:

Definitions

"ACA" refers to the Affordable Care Act and related requirements of determining eligibility, managing benefit coverage and related IRS reporting thereof.

"ACA Compliance Reporting" refers to the generation, electronic filing and reporting of IRS Forms 1094-C and 1095-C associated with ACA.

"ACA Eligible Employees" means that the District will use the Digital Schools Suite|Plus ACA Management screen as a tool to identify all employees who are considered ACA eligible, based on the threshold of 30 hours/week and/or 130 hours/month. Digital Schools captures all hours worked in regular assignments, timesheet assignments and substitute activity. Employees with non-standard compensation such as stipends cannot be captured or tracked by Digital Schools. While stipend assignments are flagged, actual hours worked are not tracked. Final determination of ACA Eligibility for employees who have non-standard compensation is made by the District.



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"ACA Eligibility Data" is a data extract that is created in Suite|Plus and provided to the District. The data that's required to determine ACA eligibility are hours associated with regular positions, EWA timesheet hours worked, substitute timesheet hours and Stipend EWAs.

Applicable Reporting Year means the 2017 calendar year for which the District is required to generate IRS 1094-C and 1095-C Forms. The fees and services described herein apply for an "Applicable Reporting Year."

Benefit Data refers to actual benefit data, including dependent coverage information that will be pulled by AFAS from the district's benefit providers.

Data is defined as demographic data from employees, former employees and covered family members subject to reporting under Code Sections 6055 and 6066, plan data, enrollment data, hours of services (records of hours worked and hours for which payment is made or due) data and health plan coverage data.

Timely Submission is defined as follows:

- i. Submitting initial test Data within two weeks of the implementation call;
- ii. Submitting final test Data within one week of receiving correspondence on the initial Data; and
- iii. Submitting ongoing Data as described in the following section.

TERM

The term of this Addendum shall commence on the date of its execution by the District and shall continue in full force and effect until terminated on March 31, 2018.

SCOPE of SERVICES

ACA Compliance Reporting shall provide information and documentation necessary for the District to generate the applicable Internal Revenue Service 1094-C and 1095-C Forms.

Through its partnership with Digital Schools, AFAS will:

- Provide a one-hour conference call with the District to explain the application and pertinent sections of the IRS Code.
- Provide up to five (5) hours of remote consulting services related to ACA Compliance Reporting. This time is devoted to outlining District responsibilities for Data, identifying the entities that have the information (e.g., insurers, etc.) and working with the District to capture the required elements for reporting purposes. This time must be scheduled by the District.
- Coordinate District insurance data to populate the fields needed for ACA Compliance Reporting.
- Automatically upload the Data for the 2017 reporting period.
- Assist districts in the procurement of non-Digital Schools' Data.



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- Provide information and documentation needed for District to generate IRS 1094-C and 1095-C forms. Integrate Digital Schools' data to auto populate IRS 1094-C and 1095-C forms. Other data will be manually entered by District and/or provided by AFAS. This information is electronically transferred to AFAS who in turn merges it with the benefit provider data required for IRS reporting.
- Provide electronic transmittal capability to deliver the required information to the IRS and provide disclosure documentation to District's employees.

District will:

- Use the Digital Schools' ACA management tool provided through the DS Suite|Plus application under the District's Master Services Agreement; this will identify most who are ACA eligible, however the District will need to explicitly confirm with a dated 'ACA Eligible' action due record.
 - *Note: Digital Schools data that is required to determine ACA eligibility is hours associated with regular positions, EWA timesheet hours worked, substitute timesheet hours and Stipend EWAs.*
- Upload Data at the end of year, with a required completion date of December 15, to satisfy IRS requirements. NOTE: Failure to upload Data as required may jeopardize satisfaction of the District's reporting obligation to the IRS. In such instance, the District is solely responsible for the failure to provide the required Data.
- Meet requirements for "Timely Submission" as defined above.
- Be solely responsible for District Data accuracy and completeness including: maintain Data, enter missing Data prior to submission to AFAS and ensure that Data is current and accurate. Data maintenance includes associated Position Control Data (e.g. job assignments, Extra Work Agreements and substitute activity), along with Employee Management data (e.g. Action Due data to identify declined coverage).
- Identify in the DS Suite/Plus application if and when an employee has declined medical coverage.
- Be responsible for working with the health plan providers (insurers, third-party administrators, trusts, consortiums, purchasing cooperatives, etc.) to obtain the required health coverage information for the 2017 reporting period and provide to AFAS no later than January 10, 2018.
- Be solely responsible to validate and verify accuracy, completeness, and authenticity of Data and then to sign off on all Data prior to exporting it to AFAS.
- Ensure that AFAS shall have ready access to District's staff and resources, according to mutually-agreed upon dates and times; District shall identify in writing the person or persons who are authorized to access the ACA Compliance Reporting service on the District's behalf ("Authorized Users"); District shall ensure that only Authorized Users receive the access codes; provide the Authorized Users with procedures for use.
- Provide to AFAS all Data necessary to complete the services specified herein in a mutually agreed upon format.



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- Determine the need for legal and tax review of the services performed and be solely responsible for fees they elect to incur for tax or legal counsel.

Digital Schools will:

- Maintain software for determining the eligibility of employees who have standard work agreements and/or who are hourly.
- Focus on continual software development to meet current and evolving needs
- Provide webinars and other professional development opportunities on how to use the ACA eligibility software module.
- Develop and maintain the interface for reporting eligibility and other demographic information that resides in Digital Schools and is required for ACA reporting to AFAS.
- Transmit monthly updated eligibility and other demographic information required for ACA reporting to AFAS.
- Provide administrative services and coordinate between AFAS, District and Digital Schools as necessary.

FEES

District will be billed by Digital Schools as follows:

- --Returning users of the Digital Schools/AFAS reporting compliance service: annual fee of \$995
- --Users new to the Digital Schools/AFAS reporting compliance service: a one-time set up fee of \$1450
- --\$5.00 per form filed on behalf of the District

Upon execution of this Addendum, Digital Schools will invoice the District (due net 15 days) the set up or annual fee, as applicable, and 50% of the fee for expected ACA Eligible Employee Forms to be filed. The remaining 50% will be billed when documentation is provided to employees. The number of forms actually prepared may change and the amount due will be adjusted accordingly.

Delinquent amounts will be billed at one and one half percent (1.5%) per month ("Late Fee"). The Late Fee shall be assessed on the sixteenth day after invoice issuance of the month for which payment is due and every first (1st) day of subsequent months until District has paid outstanding balance in full.

Depending on timing, it is Digital Schools' intent to include these fees with the District's billing cycle for monthly payers. Quarterly and annual payers will be billed separately.

District shall be responsible for actual out-of-pocket expenses (e.g., overnight charges, extensive reproduction costs) and travel costs incurred by AFAS in connection with its provision of the services as well as on any expenses for on-site consulting by AFAS that is requested by the District. This is a fee-based relationship that exists solely between the District and AFAS.

If AFAS receives inaccurate, incomplete, or improperly formatted information, any additional time and expense required to correct the information will be billed as additional Services provided to the District



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by AFAS, an amount for which the District is solely responsible. Prior to conducting the work or billing the District in this circumstance, AFAS shall notify the District in writing that charges will be required to correct or complete District information.

This Addendum is subject to and governed by the terms and conditions of the Master Services Agreement, including all Exhibits and Attachments thereto executed and in effect between the parties.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed and delivered by their duly authorized officials as of the date set forth below.

DISTRICT:

DSC:

[District]

DIGITAL SCHOOLS L.P.

a California public school district

a Limited Partnership

By: _____

By: _____

Print Name: _____

Print Name: Sarah Beyne

Title: _____

Title: President

Date: _____

Date: _____

Reviewed by: _____



**SIGN
HERE**