

**CONSULTATION, INTERPRETATION AND GUIDANCE SERVICES AGREEMENT
(Reporting Only Agreement for Idaho Trust Schools)**

THIS SERVICES AGREEMENT ("Agreement") is entered into by and between Dietrich School District No. 314 ("CLIENT") whose address is 406 North Park Street, Dietrich, ID 83324 and Eligibility Tracking Calculators, LLC ("ETC" or "CONTRACTOR"), whose address is 14607 San Pedro Ave., Suite 155; San Antonio, Texas 78232.

WHEREAS, ETC is a Direct client HR Input System and Consultative Company designed to use Client's direct input of objective payroll data (defined as payroll information used to run employee paychecks) provided by CLIENT to identify, based on the objective payroll data, which employees, if any, are interpreted to be eligible for healthcare benefits in accordance with the Healthcare Reform aka Affordable Care Act as well as to provide consultation, interpretation and guidance of the objective data; and

WHEREAS ETC desires to become a consultant of CLIENT so that ETC can perform interpretation, guidance identification/tracking services to assist CLIENT in its required reporting to the Internal Revenue Service and provision of information to applicable persons in accordance with the *Forms 1094-C/1095-C* pursuant to healthcare reform laws under the Affordable Care Act (collectively "Forms");

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CLIENT and ETC agree as follows:

1. Relationship and Term

1.01 Term of this contractual relationship is January 1, 2015 through December 31, 2016 to begin upon execution by both Parties. Either Party may terminate this Agreement prior to the termination date with 60 days written notice. If Agreement is terminated early, ETC is relieved of providing all *Forms 1094-C/1095-C* data for any date after the termination of this Agreement. Otherwise, Agreement may be renewed by written agreement of both parties and material terms of Agreement may be changed.

1.02 It is expressly understood that ETC and CLIENT are independent entities and neither is employed by the other. CLIENT in no way controls the manner, method or means of ETC's work and ETC provides all the tools necessary for services to be rendered for CLIENT. ETC has been retained by CLIENT for a specific term to perform services beyond CLIENT's expertise. Both Parties are responsible for their own tax obligations and insurance obligations.

1.03 It is expressly understood that ETC's responsibilities are limited to using Client's direct input of objective payroll data (defined as payroll information used to run employee paychecks) provided by CLIENT and CLIENT's determinations as to appropriate Indicator Codes for the Forms so that ETC can perform interpretation, guidance identification/tracking services to assist CLIENT in its required reporting to the Internal Revenue Service and provision of information to applicable persons in accordance with the *Forms 1094-C/1095-C* pursuant to healthcare reform laws under the Affordable Care Act. ETC assumes **NO LIABILITY** in CLIENT's ACA compliance efforts beyond reporting as required for the *Forms 1094-C/1095-C*.

2 ETC's Responsibilities

2.01 ETC shall perform interpretation, guidance identification/tracking services to assist CLIENT in its required reporting to the Internal Revenue Service and provision of information to applicable persons in accordance with the *Forms 1094-C/1095-C* pursuant to healthcare reform laws under the Affordable Care Act. ETC's provision of such information shall be based on CLIENT's submission of objective and accurate payroll data

as well as all other raw data necessary for *Forms 1094-C/1095-C* reporting. This data must be received no later than December 4, 2015 in order to meet said deadlines.

- 2.02 Tax Obligations.** ETC shall be responsible for its own tax obligations and understands that in accordance with this Independent Contractor Relationship with **CLIENT**, neither party is an employee of the other and that **CLIENT** assumes no responsibility or obligations in withholding any amounts to be paid to **ETC** for work performed. Although the Parties do not believe that ETC's services are subject to sales tax, should sales tax be assessed, **CLIENT** understands that the sales tax is **CLIENT**'s responsibility.
- 2.03 Ownership of Proprietary and Confidential Material.** ETC agrees and understands that **CLIENT**'s payroll data and other internal **CLIENT** information provided or made available to **ETC** may be sensitive and confidential. Therefore, **ETC** agrees to hold this information forever in confidence and only to share this information with **CLIENT** appointed representatives as instructed by **CLIENT**.
- 2.04 DUTY OF DEFENSE AND INDEMNITY. AS LONG AS CLIENT PROVIDES ETC WITH ACCURATE DATA TO REPORT ON THE FORMS 1094-C/1095-C, AND PROVIDES ALL FINAL ACCURATE DATA NO LATER THAN January 20, 2016, AND ETC FAILS TO REPORT ACCURATE INFORMATION IN A TIMELY MANNER DUE TO ITS NEGLIGENCE, UPON WRITTEN NOTICE OF CLAIM BY CLIENT, ETC SHALL DEFEND AND INDEMNIFY CLIENT AS TO ANY DAMAGES INCURRED BY CLIENT AS A RESULT OF ETC'S NEGLIGENCE.**
- 3. CLIENT's Obligations**
- 3.01 Release of Information.** **CLIENT** agrees to provide **ETC** with accurate information necessary in the format prescribed herein and by the date listed above in order for **ETC** to use to prepare **CLIENT**'s *Forms 1094-C/1095-C*. If all of the objective payroll data cannot be provided or cannot be provided via Excel or CSV, in the manner in which requested by **ETC**, this contract will be deemed null and void.
- 3.02 Authoritative Transmittal.** If **ETC** is to file the Authoritative Transmittal for the *Forms 1094-C/1095-C*, **CLIENT** must provide **ETC** all Control Group information for all entities. Determination of whether a control group exists is the sole responsibility of the **CLIENT**. Data needed from all entities in order to provide year end reporting in addition to payroll and benefits elections throughout the year includes: 1) lowest cost employee only option; 2) plan determination such as Minimum Value or MEC; 3) all relevant information as to why a person was not offered coverage if applicable; and 4) if self-insured, all covered individuals enrolled in the plan with SSN and/or date of birth. While it is important that **CLIENT** provide information on at least a quarterly basis, all final information must be submitted to **ETC** no later than January 10, 2016.
- 3.03 Ownership of Proprietary and Confidential Material.** During the term of this Agreement, **ETC** may disclose to **CLIENT** confidential information and trade secrets proprietary to **ETC**, including, but not limited to, systems, methods of operation, marketing and advertising procedures, internal procedures, programs and forms. **CLIENT** acknowledges and agrees that all such information is confidential and is the exclusive property of **ETC**. **CLIENT** covenants and agrees that it shall not disclose to anyone directly or indirectly during the term of this Agreement or at any time thereafter, any such confidential information, nor shall it use any such confidential information nor cause such confidential information to be used for any purpose other than in the course of **CLIENT**'s work with **ETC**.
- 3.04 CLIENT shall pay ETC in accordance with the terms agreed to and set forth in the attached Exhibit A. Payments not paid via ACH are due net 20 days and all 2015 payments must be received prior to December 20, 2015.**
- 3.05 Payment upon Termination of Relationship.** Upon termination of this Agreement, **CLIENT** agrees to pay **ETC** amounts earned prior to termination of this Agreement.

4. Miscellaneous

- 4.01 Amendments.** This Agreement may only be amended by written agreement by either party and only enforceable after countersigned by other party.
- 4.02 Severability.** In the event any provision of this Agreement becomes unenforceable or void, such shall not invalidate any other provision of this Agreement.
- 4.03 Assignability.** No assignment of this Agreement of the rights and obligations hereunder will be valid without the written consent of the non-assigning party.
- 4.04 Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes any prior understandings or oral or written agreements between **CLIENT** and **ETC** on the matter contained herein.
- 4.05 Governing Law.** This Agreement is being executed and delivered and is intended to be performed in the State of Texas, County of Bexar, and the laws of Texas shall govern the validity, construction, enforcement and interpretation of this Agreement.
- 4.06 Captions.** The captions contained herein are for reference purposes only and do not affect the meaning of this Agreement.

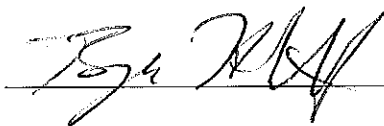
CLIENT and **ETC** have acknowledged their understanding of and agreement to the mutual promise written above by executing this Agreement.

AGREED:

By: *Alicia J. Haff, JD*
Eligibility Tracking Calculators, LLC

Executed: **December 1, 2015**

By: Benjamin Hardcastle, Superintendent
Printed Name, Title

Executed: 
Signature

ETC TRACKING EXHIBIT A

SERVICES PROVIDED AND FEE SCHEDULE for Dietrich School District No. 314

Reporting Consulting Support

- Collect necessary data and prepare *Forms 1094-C* and *1095-C* for Client filing with the US Department of Treasury;
- Prepare *Form 1095-C* for affected employees; and
- Access to ETC Consultants for ACA knowledge.

Monthly Consulting Fee:

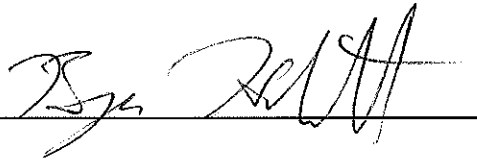
\$12.60 Per EE Per Year Paid for by the Trust

Method of delivery to be determined by Client: (choose one)

Electronically deliver to the District via FTP and Back up on Secure USB

Mailed to the employees by ETC - Postage/handling charges of \$.80 per Form will be invoice to the District.

Client Signature: _____



Printed Name: Benjamin Hardcastle

Date: December 1, 2015