Christian Schools International **UPDATE**

Christian School Pension Plan and Trust Fund & Insurance Plan and Trust Fund

Date: December 2019
To: Administrators, Board, and Plan Participants
From: Howard Van Mersbergen, Executive Secretary-Treasurer

IN BRIEF

Department of Labor (DOL) Pension & Insurance Plan Audit Results – Communicating the results of our recently concluded Pension & Insurance Plan audit.
Contacting Us for Support – Contact us if you have questions or need assistance.

Department of Labor (DOL) Pension & Insurance Plan Audit Results

The U.S. Department of Labor (DOL) recently concluded an audit of both the Christian School Pension Plan and Trust Fund ("Pension Plan") and the Christian School Insurance Plan and Trust Fund ("Insurance Plan"). The Trustees are pleased to report that this audit concluded with no penalties against either of the plans, which the Trustees believe validates their commitment to administering the plans in a high-quality manner.

According to Heidi A. Lyon, partner at Warner Norcross + Judd LLP and legal counsel for the Pension Plan and Insurance Plan:

> "When the Trustees received notice the U.S. Department of Labor ("DOL") would audit Christian Schools International's (CSI) benefit plans in 2013, we advised them it is not uncommon to draw an audit and that they should expect an extensive audit with the DOL paying significant attention to detail. We also advised that it is rare for the DOL to close an audit without finding something, particularly in plans the size of CSI's plans. In the end, it took nearly six years for the DOL to fully close the audit, DOL scrutinized details down to bills for a few dollars, and no penalties were imposed with respect to any of the plans."

While the audit concluded with no penalties against the plans, the governance structure of the Insurance Plan is changing to a multiple employer welfare arrangement (MEWA) due to federal regulations under the Patient Protection and Affordable Care Act, or ACA. Under this new governance structure, each participating school becomes a sponsor of the Insurance Plan with CSI continuing to serve as the plan's administrator.

As a result of this change, **all new and existing schools participating in the Insurance Plan will need to sign an updated Adoption Agreement**. In the coming weeks, we will be mailing the Adoption Agreement forms with further details. Again, **this action only pertains to the participating schools in the Insurance Plan**.

If you have questions or need additional information, contact me at hvanmersbergen@csionline.org.

CONTACT

Contacting Us for Support

More information about our benefit plans and past *Updates* is located on our website at us.csibenefits.org .

If you have pension plan questions contact Brenda Addie at 616.284.3227 or toll free at 877.274.8796, ext. 227, or contact her by email at BrendaAddie@csionline.org.

If you have insurance plan questions contact Amy Slachter at 616.284.3233 or toll free at 877.274.8796 ext. 233, or contact her by email at aslachter@csionline.org.